

# NAVAL POSTGRADUATE SCHOOL

## Monterey, California



### THESIS

**THE EUROPEAN SECURITY AND DEFENSE IDENTITY:  
A CHALLENGE FOR NATO AND THE UNITED STATES**

by

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March 2001

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A CHALLENGE FOR NATO AND THE UNITED STATES**

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Submitted in partial fulfillment of the  
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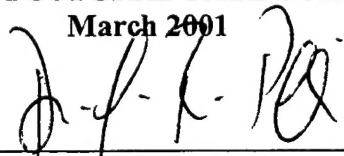
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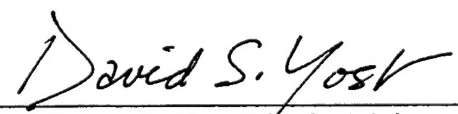
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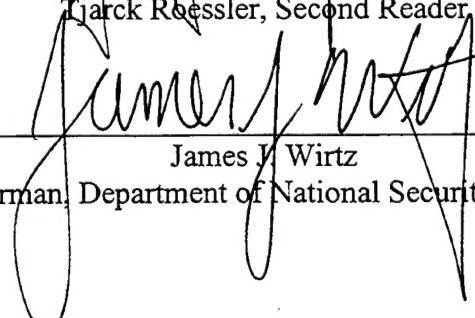
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## **ABSTRACT**

The development of the European Union's European Security and Defense Policy (ESDP) since 1998 has strongly affected the EU-NATO relationship. Starting with the Franco-British bilateral declaration at Saint-Malo in December 1998, the EU recognized the need for autonomous military capacities for actions outside NATO's framework. This policy challenged NATO's agreement to enhance the European Security and Defense Identity (ESDI) as a European pillar within NATO, as agreed at NATO's Ministerial Meeting in Berlin in June 1996. The tendency to establish the EU's ESDP outside NATO became obvious in December 1998. Two years later, in December 2000, the EU seemed to make considerable progress in establishing itself as a European pillar of NATO, with the political option of acting autonomously when the alliance as a whole is not engaged. As the development of the EU's ESDP between December 1998 and December 2000 indicated, the members of the EU have put more emphasis on developing ESDP within the EU rather than developing ESDI within NATO. Developing the ESDP inside the EU, however, tends to undermine NATO's concept of strengthening the European pillar under the authority of the North Atlantic Council.

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## LIST OF ABBREVIATIONS

C3I	Command, Control, Communication and Intelligence
CFSP	Common Foreign Security Policy
CJTF	Combined Joint Task Forces
DCI	Defense Capabilities Initiative
DSACEUR	Deputy Supreme Allied Commander Europe
EAPC	Euro-Atlantic Partnership Council
ESDP	European Security and Defense Identity
ESVI	European Security and Defense Identity
EU	European Union
EUMC	European Union Military Committee
EUMS	European Union Military Staff
IFOR	Implementation Force
NAC	North Atlantic Council
NAC	North Atlantic Council
PARP	Planning and Review Process
PfP	Partnership for Peace
PSC	Political and Security Committee
SFOR	Stabilization Force
SHAPE	Supreme Headquarters Allied Powers Europe
WEU	Western European Union

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## ACKNOWLEDGMENT

The topic of my thesis, the significance of the European Security and Defense Identity for NATO and the United States, is strongly related to my professional background as an analyst in the Military Foreign Intelligence Service in Austria. My country joined the European Union (EU) in 1995 and has subsequently contributed to the European integration process to the fullest extent possible. The EU's European Security and Defense Policy (ESDP) is a delicate issue for Austria because of its historical policy of neutrality, which stands in contradiction to certain aims of the ESDP. Because of my professional responsibilities, it has been enriching for me to study and evaluate the position of United States regarding this sensitive question within the transatlantic relationship. I consider the U.S.-European relationship the most important bilateral relationship in modern history. Thanks to the thesis research, I have gained a better understanding of U.S. national interests regarding Europe. I have been especially pleased to recognize the broad range of common values and interests linking Europe and the United States. However, I have also discovered that the United States underestimates the fact that the EU is a thriving political entity under construction and as such determined to establish its own exclusive decision-making process in ESDP-related questions. I am grateful for the opportunity to carry forward scholarly research at the Naval Postgraduate School in Monterey. My special appreciation belongs to my professors, in particular to my thesis adviser David Yost.



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## **Executive Summary**

The European Union (EU) has been pursuing the development of a European Security and Defense Policy (ESDP), while NATO has been sponsoring the emergence of a European Security and Defense Identity (ESDI). This thesis investigates the hypothesis that the progress of the ESDP and ESDI efforts could diminish the resources available to NATO by duplicating existing structures and procedures, and may exclude and thereby discriminate against the non-EU European members of NATO. Such developments could weaken the transatlantic relationship by decoupling the European pillar from the North American pillar of NATO.

This thesis analyses the development of ESDP and ESDI since the historical shift in Britain's policy in December 1998. By systematically analyzing the EU's decisions on ESDP and ESDI since December 1998, this thesis identifies the implications of these decisions for the United States and NATO.

The thesis argues that the ESDI/ESDP dynamic has shifted from a NATO framework to an EU framework, while the political impact of the United States on ESDP since December 1998 has been remarkably small. The EU intends to establish itself as an alternative to NATO for consultation and actions on European security affairs other than the collective defence responsibilities retained by NATO. Moreover, the EU's ESDP draws on critical NATO resources, assets and capabilities because NATO and the EU depend on almost the same forces and other military assets in Europe – that is, the commonly funded and maintained NATO infrastructure, including pipelines, C3I systems, and airfields .

While the United States favors the construction of ESDI within the NATO framework, many Europeans perceive the EU's ESDP as a process that eventually might lead to the defense policy of a more closely integrated EU. ESDI and ESDP therefore constitute a strategic and political challenge for NATO, the EU, and the United States. The EU and the United States must develop a common security agenda based on partnership, common values, and shared strategic interests rather than insisting on particular institutional frameworks.

## I. INTRODUCTION

Since 1949 the United States and its North Atlantic Treaty allies have developed a strong and dynamic commitment in the field of European security. The United States has, since the end of the Second World War, supported the project of European unification. But at the same time the United States has made it clear that it supports the principle articulated in a June 1991 North Atlantic Council communiqué: "The Alliance is the essential forum for consultations among its members and the venue for agreements on policies bearing on the security and defense commitments of Allies under the Washington Treaty."<sup>1</sup> The United States sets its own stamp on European security and defense by leading the North Atlantic Treaty Organization and upholding NATO's primacy. In fact, NATO has been for more than fifty years the institutional framework for successful transatlantic security policies and has proven to be the most successful defense alliance in modern history.

At the end of the Cold War, the United States was the only remaining superpower, while the European Union has grown economically, but was still underdeveloped politically. Paradoxically, the strength of the United States leadership, particularly during the conflicts in the former Yugoslavia, stimulated various political forces in the European Union to argue for a more dynamic process of political, economic and military integration including the security and defense dimension.

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<sup>1</sup> North Atlantic Council, communiqué, June 7, 1991, par. 2, quoted in David S. Yost, *NATO Transformed: The Alliance's New Roles in International Security*, (Washington DC: United States Institute of Peace Press, 1998), p. 209.

Since the conclusion of the Treaty of Maastricht in 1991, the member nations of the European Union (EU) have pursued a political process that has resulted in the multi-phase introduction of a single European currency for the twelve participating countries. This currency is based on a common European market including more than 370 million people. With the Maastricht Treaty, the EU moved beyond common economics and started to strengthen especially its second pillar, the Common Foreign and Security Policies (CFSP). This step has fundamentally altered the institution and can be considered as a milestone in the European integration process.

The growing worldwide economic role of the EU is complemented by its intention to take a leading political role in international affairs. But the development of an effective Common Foreign and Security Policy still depends on at least two major factors:

- the definition of common European Union interests beyond economic issues, and
- the development of structures, procedures, and appropriate means to pursue and defend these European Union interests.

The political value of the single European currency, the Euro, is often underestimated. The currency is based on the premise that common interests and common values require common structures, procedures and therefore must lead to a common policy. However, the Euro fits into the political purpose of the Union. In fact, the success of the Euro also depends on the effective implementation of a Common Foreign and Security Policy as outlined in the Treaty of Maastricht and further developed in the Treaty of Amsterdam. This approach also includes the development of effective common military means.

## **A. STATEMENT OF PURPOSE**

In this thesis the military requirements to back the EU's CFSP are summarized under the term European Security and Defense Identity (ESDI) and are addressed under the term European Security and Defense Policy (ESDP). Though the term ESDI is used in a NATO context, while ESDP is employed in EU documents, both terms describe basically the same process, with some significant differences. The most significant differences concern membership (not all EU members are NATO allies, and not all European allies are EU members) and security and defense policy objectives.

This thesis investigates the hypotheses:

- the ESDP's progress may diminish the resources available to NATO by duplicating existing structures and procedures;
- it may exclude and thereby discriminate against the non-EU European members of NATO; and
- it may weaken the transatlantic relationship by initiating a political process of decoupling the European and Atlantic pillars of NATO.

These are precisely the concerns raised by high-level U.S. officials such as Secretary of Defense William Cohen and Secretary of State Madeline Albright.

The thesis focuses on U.S. perceptions of how the EU's ESDP may affect U.S. national interests. This thesis further investigates changing U.S. perceptions of the EU, based on official assessments. The thesis identifies and analyses the major concerns of

U.S. foreign policy vis-à-vis ESDP/ESDI.<sup>2</sup> This thesis furthermore examines the implications of the prospect that the Franco-British declaration on European security and defense in December 1998 will take the EU beyond what NATO agreed to in its ministerial meeting in Berlin in June 1996, namely to keep the ESDI within a NATO framework. The most significant subsequent decisions regarding the ESDP/ESDI at meetings of the European Council are those at Cologne (June 1999), Helsinki (December 1999), Santa Maria de Feira (June 2000), and Nice (December 2000). This thesis discusses the results of these European Councils in the light of U.S. concerns about this process. The thesis clarifies the extent to which the European Union's approach is consistent with U.S. expectations and examines the points on which they differ. The thesis focuses on military security issues; it does not deal with the civilian police issues called "non-military crisis management" at the European Council in Helsinki in December 1999.

## **B. SIGNIFICANCE**

The question of ESDI/ESDP is of specific importance for the future relationship between the EU and the United States and for the future of NATO. The future relationship between the United States and the EU is often referred to as "The most important, influential, and prosperous bilateral relationship in modern times."<sup>3</sup> In fact,

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<sup>2</sup> ESDI stands for "European Security and Defense Identity," the term favored in NATO, while ESDP stands for "European Security and Defense Policy," the term employed in the EU. The term ESDI/ESDP is used in this thesis to refer to the process of European security and defense arrangements generally rather than to a specific organizational framework.

<sup>3</sup> Stuart Eizenstat, Deputy Secretary of the Treasury, quoted in Marc Grossman, Assistant Secretary of State for European Affairs, "Building a New U.S.-European Partnership for the 21<sup>st</sup> Century," speech at the United States Military Academy, West Point, New York, September 14, 1999.

within the established framework of cooperation between the EU and the United States, the development of the ESDI/ESDP is one of three major priorities, besides stabilizing Southeast Europe and managing trade relations.<sup>4</sup> If the ESDI/ESDP develops in a way that challenges the future role of NATO in Europe, a new transatlantic burden-sharing agreement will have to be defined. There are obvious criticisms and doubts on both sides of the Atlantic about whether the European Union is willing to commit the necessary political, economic and military resources to match its rhetoric. However, further development of the ESDI/ESDP is of huge relevance for NATO, the EU and the United States.

### **C. METHODOLOGY**

The thesis is based on statements by United States officials in both the executive and the legislative branches of the government, as well as on agreements, treaties, speeches and other documents related to the ESDP/ESDI. The thesis examines U.S. concerns in light of the relevant decisions made by European Union authorities. The time framework for this comparative study focuses on the period from the Franco-British summit meeting in Saint Malo in December 1998 to the European Council meeting in Nice in December 2000.

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<sup>4</sup> Ibid.



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## II. FROM BERLIN TO SAINT MALO: A STRATEGIC SHIFT IN EUROPEAN SECURITY INSTITUTIONS

This chapter describes and compares the results of the Franco-British Saint Malo initiative of December 1998 with the prior established political arrangements relevant to the ESDI, which were specified in the Final Communiqué of the Ministerial Meeting of the North Atlantic Council in Berlin in June 1996. The chapter first identifies the political consensus agreed on ESDI in Berlin in 1996. It then explains why the 1998 Franco-British initiative has been of utmost importance for the increased dynamic of ESDI/ESDP. The main point of this chapter is that France and Britain have gone beyond the political acquis of Berlin by supporting the concept of autonomous military structures under the guidance of the EU. Consequently, the chapter concludes that the current development of the ESDP, following the guidelines established in Saint Malo, is no longer based on transatlantic "common ground," namely to establish the ESDP/ESDI exclusively within NATO's framework. Saint Malo seems to be the starting point of a process to develop "separate, but not separable" capabilities. This is significant because the consensus achieved at NATO's January 1994 summit was that the Allies would "support the development of separable but not separate capabilities which could respond to European requirements and contribute to Alliance security."<sup>5</sup>

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<sup>5</sup> Declaration of the Head of States and Government Participating in the Meeting of the North Atlantic Council, Brussels, 10-11 January 1994, par. 6, quoted in David S. Yost, *NATO Transformed: The Alliance's New Roles in International Security* (Washington DC: United States Institute of Peace Press, 1998), p. 201.

#### A. NATO's ESDI-RELEVANT DECISIONS IN BERLIN IN 1996

The NATO summit in Brussels in January 1994 approved the concept of Combined Joint Task Forces (CJTF) primarily to provide NATO with a flexible structure to meet the challenge of non-Article 5 crisis management operations and to include non-NATO members in such operations.<sup>6</sup> The summit also approved the principle that the Western European Union (WEU) could draw on NATO assets and capabilities for operations under its leadership. In such contingencies, the North Atlantic Council would decide on a case-to-case basis. As with all NAC decisions, a consensus of all the Allies would be required.<sup>7</sup> The intention of this decision was to increase European flexibility, but at the same time to keep the ESDI within the framework of the Alliance. This concept originally was conceived not only as an essential part of NATO's adaptation, but also permitted all European Allies to play a larger role in NATO's military and command structures and was therefore considered to anchor ESDI within NATO.

Two years later at the Ministerial Meeting of NATO in Berlin in June 1996, NATO's Foreign Ministers finally agreed to implement the Combined Joint Task Force concept. This step was taken primarily to overcome difficulties in establishing a European Security and Defense Identity within the Alliance, as envisaged at the NATO summit in Brussels in January 1994. The political intention was to overcome concerns

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<sup>6</sup> For more detailed information about the outcome of NATO's summit in Brussels in 1994, and how this relates to ESDI, see David S. Yost, *NATO Transformed: The Alliance's New Roles in International Security* (Washington DC: United States Institute of Peace Press, 1998), p. 76.

<sup>7</sup> The Treaty of Maastricht in 1992 defined the WEU as an integral part of the EU's development in the field of defense. Although the Treaty of Maastricht did not establish a institutional link between the EU and the WEU, the EU defined the WEU as its military arm. It should be noted that all members of the WEU are also members of the EU and NATO.

that the slow progress in achieving results since the decisions in Brussels might result in a French-led initiative to push ESDI outside NATO's framework.

However, in order to strengthen NATO's European pillar, the Alliance identified the Deputy Supreme Allied Commander Europe, as a European Commander for contingencies in which the WEU would conduct and led an operation. NATO also agreed to assign NATO Headquarters for WEU-led operations. Moreover, most important for the ESDI, NATO agreed to establish closer links between NATO and the WEU by providing access to NATO's planning capabilities, by holding common exercises, and by engaging in consultations on a regular basis. Nevertheless, the document did not outline a potential role for the EU, although the Treaty of Maastricht had established the WEU (though formally still independent) as the military arm of the EU in 1992.

The main themes of the Final Communiqué in Berlin included NATO's mission in Bosnia, the structural reform of the Alliance, and the ongoing NATO enlargement process. Nevertheless, the Ministerial Meeting set the basic principles of NATO's approach dealing with the ESDI.

The political arrangement established in Berlin is based on the following principles:

- The ESDI will develop within NATO under the authority of the North Atlantic Council.
- The ESDI will be built "within NATO, which will enable all European Allies to make a more coherent and effective contribution to the missions and activities of the Alliance as an expression of our shared responsibilities."<sup>8</sup>
- The Combined Joint Task Force Concept, introduced at the NATO summit in Brussels in 1994, is "consistent with the goal of building the European Security and Defence Identity within NATO,"<sup>9</sup> which should increase the role of the European Allies within the political and military structures in NATO.

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<sup>8</sup> Final Communiqué of the Ministerial Meeting of the North Atlantic Council in Berlin, 3 June 1996, par.5.

<sup>9</sup> Ibid., par.7.

- The relationship between NATO and the WEU should be developed, based on "full transparency" in crisis management situations.<sup>10</sup>
- The ESDI "will be grounded on sound military principles and supported by appropriate military planning and permit the creation of militarily coherent and effective forces capable of operating under the political control and strategic direction of the WEU."<sup>11</sup>
- The Allies agreed "to preserve the transatlantic link" and to maintain NATO as "the essential forum for consultation among its members and the venue for agreement on policies bearing on the security and defense commitments of Allies under the Washington Treaty."<sup>12</sup>

For the first time in NATO's history, the ESDI agreement of Berlin introduced the principle that NATO forces, assets, and command structures could be employed by the Western European Union (WEU) for WEU-led operations, subject to North Atlantic Council decisions. NATO recognized the WEU as the political framework to increase the European pillar's political and military capabilities within the Alliance but at the same time ignored the EU. (This was consistent with the EU's designation of the independent WEU as its defense arm.) NATO's political intention in Berlin was to encourage European Allies to conduct non-Article 5 operations, using the operational and political framework of NATO, and "NATO capabilities, assets, and HQs and HQ elements for missions to be performed by the WEU."<sup>13</sup> As in the past, NATO maintained the "separable but not separate" principle, order to meet the requirements of an emerging European Security and Defense Identity.<sup>14</sup>

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<sup>10</sup> Ibid., par. 7.

<sup>11</sup> Ibid., par. 7.

<sup>12</sup> Ibid., par. 6.

<sup>13</sup> Final Communiqué of the Ministerial Meeting of the North Atlantic Council in Berlin, 3 June 1996, par. 8.

<sup>14</sup> Stanley Sloan, *The United States and European Defense*, Chaillot Paper 39 (Paris: Institute for Security Studies, Western European Union, April 2000), p.11.

The overall political aim was to meet French demands for a stronger European role in NATO. The Ministerial Meeting in Berlin also marked a watershed in U.S. policy toward the recognition of a stronger European role in the Alliance.

### **1. Lack of Implementation**

After 1996, there was little evidence of progress in implementing NATO's decisions at the Ministerial Meeting in Berlin in June 1996. The established political acquis of Berlin has never been implemented through significant structural changes in NATO.

Several issues still obstruct implementing the decisions at Berlin. These issues include the agreement on the modalities of EU access to NATO planning capabilities, the proposed pre-designation of NATO assets for operations conducted by the EU, and detailed solutions of the problems on the pre-designation of a European chain of command within NATO.<sup>15</sup> This situation has stimulated political frustration, particularly in France. It has also provoked discussion with the United States as to whether the ESDI should be institutionalized in NATO or form part of the EU's Common Foreign and Security Policy.<sup>16</sup>

After Berlin, on the other hand, the EU and the European Allies of NATO demonstrated a lack of political will to conduct operations in the former Yugoslavia or

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<sup>15</sup> Jolyon Howorth, "Britain, France and the European Defence Initiative." *Survival*, vol. 42, no.2, Summer 2000, p.43.

<sup>16</sup> This discussion continued even after NATO's summit in April 1999. The adapted 1999 Strategic Concept addresses this issue with the following wording: "On the basis of decisions taken by the Alliance, in Berlin in 1996 and subsequently, the European Security and Defense Identity will continue to be developed within NATO. This process will require close co-operation between NATO, the WEU and, if and when appropriate, the European Union." North Atlantic Council, Strategic Concept, 24 April 1999, par. 30.

Albania under European auspices – that is, the WEU and/or the EU. In the end, only NATO was able to act in the former Yugoslavia, while only a few European countries (led by Italy) took military actions in Albania in 1997.

## **2. Findings and Conclusions**

NATO's Ministerial Meeting in Berlin in 1996 agreed that the ESDI would be further developed within a NATO context by implementing the principle of "separable but not separate" assets and capabilities available for operations under the leadership of the Western European Union. The Final Communiqué of the Ministerial Meeting did not mention the EU in this context. From the perspective of some French observers, the agreement in Berlin practically subordinated the EU's ability to conduct "Petersberg tasks"<sup>17</sup> to the approval of the North Atlantic Council, which would have to approve "arrangements for the release, monitoring and return of Alliance assets and capabilities" lent to European Allies for a WEU-led operation.<sup>18</sup> This was not in accordance with France's intention. In particular, this question led to an argument between France and the United States three years later during the drafting of the Strategic Concept in preparation for the Washington summit in April 1999.<sup>19</sup>

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<sup>17</sup> At the WEU Ministerial Council, Bonn, 19 June 1992, the WEU approved the Petersberg Declaration. "Apart from contributing to the common defence in accordance with Article 5 of the Washington Treaty and Article V of the modified Brussels Treaty respectively, military units of WEU member States, acting under the authority of WEU, could be employed for: humanitarian and rescue tasks; peacekeeping tasks; tasks of combat forces in crisis management, including peacemaking." Western European Union Council of Ministers Petersberg Declaration, Bonn, 19 June 1992, Part II, par. 4.

<sup>18</sup> North Atlantic Council in Defense Ministers Session, Final Communiqué, 12 June 1997, par. 7, quoted in Yost, *NATO Transformed*, p. 204.

<sup>19</sup> See Douglas Bereuter, "The creation of the ESDI within the European Union: A U.S. Perspective." Update of a paper presented at a joint meeting of the Presidential Committee of the WEU Parliamentary Assembly, December 1999, text furnished by NATO Parliamentary Assembly, August 8, 2001.

However, the ESDI-relevant decisions in Berlin introduced for the first time the principle of European command and control arrangements within the Alliance. The North Atlantic Council approved the precondition for the establishment of a European chain of command. Critics argued that the decisions made in Berlin amounted to a step to split NATO into European and transatlantic parts.

Finally, the established *acquis* in Berlin also reflected the U.S. dilemma in terms of dealing with the ESDI. In Berlin, the United States succeeded in keeping ESDI within a NATO framework. Three years after Berlin, the dilemma became complex when the EU decided to increase its own military assets and capabilities outside of NATO to deal with crisis management challenges and other "Petersberg tasks". Even today, the outcome of the Ministerial Meeting of Berlin is still relevant for interpreting the relationship between NATO and the EU, establishing the European command arrangements then envisaged, and for discussing the pending question of integrating non-NATO EU members in ESDI/ESDP deliberations and activities.

However, it seems obvious that resistance (and not only in the U.S. policy-making community) to implementing the political-military arrangements envisaged in Berlin must be considered one of the primary reasons for launching the Saint Malo initiative, two and a half years after the Ministerial Meeting in Berlin.

Overall, differences in outlook between the European Union and the United States became obvious. While the United States was looking at the ESDI as an instrument for a broad security approach in Europe under the leadership of NATO, many of the Europeans saw ESDI/ESDP as a process that might become the defense policy of a European entity.



NATO's decision in Berlin reflected these fundamental differences in outlook between many Europeans and the United States.

## **B. THE SAINT MALO INITIATIVE AND ITS IMPLICATIONS FOR ESDP/ESDI**

During the Franco-British summit in Saint-Malo, on December 4, 1998, France and Britain agreed on a Joint Declaration on European Defense, initiating the so-called Saint-Malo process or Saint-Malo initiative. This process stipulated for the first time in history the prospect of autonomous military capabilities outside of NATO and under the leadership of the EU. The Saint-Malo process represented a major qualitative step toward ESDP because it also marked a major shift in British foreign policy. The British completely reversed their policy. London shifted from preventing the WEU from being incorporated into the EU to agreeing to develop capabilities for "autonomous actions, backed up by credible military forces."<sup>20</sup> Although the British policy shift might have been predictable (in view of the statement by British Prime Minister Tony Blair in Poertschach, Austria, in October 1998), this step surprised the United States.<sup>21</sup> The Saint-Malo declaration stipulated that the European Union must have:

"The capacity for autonomous action, backed up by credible military forces, the means to decide to use them and a readiness to do so, in order to respond to international crises."<sup>22</sup>

"Appropriate structures and a capability for analysis of situations, sources of intelligence and a capability for relevant strategic planning."<sup>23</sup>

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<sup>20</sup> Franco-British Summit, "Joint Declaration on European Defense", Saint-Malo, 4 December 1999, par. 2.

<sup>21</sup> High ranking British officials assured the United States that there would be no radical change in British foreign policy. See Douglas Bereuter, "The Creation of the ESDI within the European Union: A U.S. Perspective." Text furnished by NATO Parliamentary Assembly, January 8, 2001.

<sup>22</sup> See Franco-British Summit. "Joint Declaration on European Defense", par. 2.

<sup>23</sup> Ibid., par. 3.

By avoiding unnecessary duplications, the declaration called for the EU's "recourse to suitable military means (European capabilities pre-designated within NATO's European pillar or national or multinational European means outside the NATO framework)." <sup>24</sup>

The Saint-Malo initiative raised strong concerns among U.S. officials. Only a few days after the Saint-Malo statement, Secretary of State Albright emphasized U.S. concerns during the December 1998 Ministerial Meeting in Brussels by reaffirming the U.S. support for ESDI but cautioning the Europeans against "the three D's". The three D's are duplication, decoupling, and discrimination. The three D's became the major U.S. policy guideline to express concerns about the ESDP-development after Saint-Malo.<sup>25</sup> Avoiding duplication means that ESDI should complement rather than duplicate NATO assets, capabilities and procedures. Avoiding discrimination means that ESDI should not isolate or exclude non-EU allies in the EU decision-making on CFSP. Avoiding decoupling means that ESDI should be linked to, rather than detached from, NATO structures. <sup>26</sup>

## **1. Findings and Conclusions**

The outcome of NATO's Ministerial Meeting in Berlin in 1996 is often referred to as "the common ground" between NATO and the European Union on ESDI/ESDP. The Saint-Malo initiative went beyond this established political *acquis* by calling for EU capacities for autonomous actions for the first time.

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<sup>24</sup> Ibid, par.3.

<sup>25</sup> Basically the same concerns were raised by the Bush administration in the early 1990's in response to the Franco-German Eurocorps. See Stanley Sloan, *The United States and European Defense*, Chaillot Paper 39, (Paris: Institute for Security, Western European Union, April 2000), p.4.

<sup>26</sup> Secretary of State Madeline Albright on the meaning of the three D's, quoted in Alexander Vershbow, "ESDI: Berlin, St. Malo and Beyond," Remarks to the Western European Union, (Paris: Institute for Security, Western European Union, January 28, 1999).

The Saint-Malo initiative has been important for two reasons. First, it has set the agenda for the European Union's decisions to go ahead with ESDI/ESDP. The development of ESDI/ESDP outside of NATO has made much more progress since Saint-Malo than during the two and a half years after NATO's Ministerial Meeting in Berlin. Second, the Saint-Malo initiative reflects an initial British-French agreement on fundamental principles, most prominently to develop ESDP outside NATO.<sup>27</sup>

In June 1999, at the European Council meeting in Cologne, three years after the decisions made in Berlin on ESDI, the EU started to develop ESDP outside NATO's framework. By doing so, the European Union went far beyond the political agreement established at the NATO Ministerial Meeting in Berlin in 1996. However, the agreement to develop ESDI within NATO, laid down in the final Communiqué of the Ministerial Meeting in Brussels in 1996, can be seen as a politically unrealistic compromise: to keep the NATO and United State roles in Europe unchallenged and to recognize the EU's new role in security policy. As long as the ESDI was understood as a process exclusively within the framework of NATO, the development of the ESDI was strongly encouraged by the U.S. foreign policy agenda. The pursuit of ESDI/ESDP in a fashion that implies an entity autonomous from NATO and under the political direction of the EU has caused concern among U.S. officials.

In other words, the current development of ESDP/ESDI is no longer based on a transatlantic "common ground," namely to establish the ESDP/ESDI exclusively within NATO's framework. The Saint-Malo initiative went beyond the established *acquis* at NATO's Ministerial Meeting in Berlin in 1996. Although Saint-Malo was a bilateral declaration, the most essential parts of this declaration have been integrated in major EU

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<sup>27</sup> See Franco-British Summit. "Joint Declaration on European Defense", par. 3.

declarations and strategy papers. Saint-Malo stimulated the further development of the ESDI/ESDP.

### C. BERLIN VERSUS SAINT MALO

The importance of the Saint-Malo initiative for ESDI/ESDP is that for the first time Britain and France could agree on fundamental principles on ESDP/ESDI. British foreign policy officials have been strongly committed to NATO and historically have perceived the ESDI as a threat to NATO, while French have taken the opposite position. Critics argue that it remains to be seen how far the gap between the French and the British approaches has been narrowed by this historic declaration.<sup>28</sup>

The definite breakthrough in Saint-Malo was the agreement on capacities for autonomous actions outside the NATO framework. This wording stimulates the EU to prepare for operations along the entire spectrum of the Petersberg missions, if the United States is unable or unwilling to act. One can argue that stimulating an autonomous capacity outside of NATO might work as an alternative to decisions and actions traditionally undertaken within the NATO framework. This point especially raised major concerns within the U.S. legislature.<sup>29</sup>

The major shift in British foreign policy raises the question of the future of the special relationship between the United States and Britain. The shift in foreign policy came over a year after the Labor government under Prime Minister Tony Blair took

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<sup>28</sup> Jolyon Howorth, "Britain, France and the European Defence Initiative," *Survival*, vol. 42, no. 2, Summer 2000, p. 34.

<sup>29</sup> See 106<sup>th</sup> Congress, "European Common Foreign, Security and Defense Policy: Implications for the United States and the Atlantic Alliance." Hearing before the Committee on International Relations, House of Representatives, First Session, November 10, 1999, Serial No. 106-106, p. 12.

office. Although some analysts argue that the reason for this shift is based on Blair's desire for a major European role in European affairs, most analysts would agree that the shift was based on strong British national interests. The British shift in foreign policy was to some extent predictable. Some commentators suggested that the shift resulted from Blair's attempt to balance Britain's refusal to join the European Monetary Union. Others believed that Blair simply wanted to strengthen his European credentials. Some speculate that an increasing role of the British armaments industry might also be a motivation for the British Foreign Policy shift. However, the ambiguity remains. Jolyon Howorth argues that the major shift in British foreign policy reflects "the British government's conviction that the United States will no longer automatically underwrite European security in the same way as during the Cold War."<sup>30</sup>

In summary, the Saint-Malo initiative does not necessarily mean that British foreign policy is drifting away from its transatlantic approach. Both France and Britain assert that the aim of the Saint-Malo initiative is to strengthen NATO by improving the European pillar. On the other hand, this development raises major concerns among U.S. defense officials, because they realize that Britain will not continue to block the development of any defense capability separate from NATO. In fact, the Saint Malo process has to be judged over the long term. This thesis examines the results of the process in the two years from December 1998 to December 2000, beginning with the European Council in Vienna in December 1998.

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<sup>30</sup> Jolyon Howorth, "Britain, France and the European Defense Initiative," *Survival*, vol. 42, no.2, Summer 2000, p. 34.

### III. THE EUROPEAN COUNCIL IN VIENNA AND COLOGNE

This chapter investigates how the December 1998 Franco-British summit affected the outcome of the European Council meeting in Vienna later that month and explains why the European Council could not pay much attention to the ESDI. The chapter makes the point that the European Council in Vienna was the beginning of a process transforming what had been a NATO-centered ESDI into a European Union initiative. The special focus of this chapter is the outcome of the European Council in Cologne in June 1999. The chapter explains the significance of the Council's decision to merge the WEU with the EU and makes the point that this decision resulted in the establishment of new EU bodies, while striving to avoid duplication with existing NATO structures. Furthermore, the chapter examines the role of "non-EU allies"<sup>31</sup> in the newly established EU decision-making structures. Overall, this chapter supports the argument that the European Council in Cologne was the beginning of a process of building the ESDI/ESDP within the European Union. The chapter's conclusion emphasizes, that with no institutionalized link between NATO and the EU after the European Council in Cologne, building the ESDI/ESDP within the EU has threatened to undermine the concept of ESDI as the European pillar within NATO. The EU and NATO have attempted (with only partial success) to deal with this difficulty, notably with their decisions in December 2000. These decisions are discussed in chapter six of this thesis.

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<sup>31</sup> "Non-EU allies" means European NATO members that are not EU member states such as the Czech Republic, Hungary, Iceland, Norway, and Turkey. It is worth mentioning that this group is identical with the WEU's Associate Members.

## **A. THE EUROPEAN COUNCIL IN VIENNA**

Ending the Austrian presidency term, the European Council meeting took place in Vienna on 11 and 12 December 1998. Paying little attention to the ongoing discussion in the field of ESDI/ESDP, the Council avoided any structural decisions regarding the further development of the ESDI/ESDP. Drawing on the wording of the Franco-British declaration on European defense in Saint-Malo, the Council recognized in its final declaration the need to enhance the ESDI. The Council emphasized, "That in order for the European Union to be in a position to play its full role on the international stage, the CFSP must be backed by credible operational capabilities."<sup>32</sup> However, the European Council did not take the initiative of introducing such operational capabilities. The European Council in Vienna was probably unwilling to do more to carry forward the ESDP process primarily because there was no common view on ESDP within the EU at that time and because it was generally agreed that it would be Germany's responsibility to seek such a common view during its presidency of the EU during the first half of 1999.

### **1. No Common View on ESDP at That Time**

Other EU members were still evaluating the British shift in European policy, expressed in the Franco-British declaration on European defense. Therefore it was too early for the Austrian presidency to frame the Franco-British initiative within the European Union's political arena. The Saint-Malo initiative was still fresh, and the consequences of the ESDP/ESDI for the EU were unclear.

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<sup>32</sup> See, "Presidency Conclusion", Chapter VII, Preparing the implementation of the Amsterdam Treaty, Vienna 11 and 12 December 1998. Available [Online]: [<http://europe.eu.int/council/off/conclu/dec/98.htm#CVII>], January 2001.

However, at the time the European Council in Vienna took place, the British move toward including European defense and security matters within the EU might have been foreseeable because of Blair's political signals in October 1998 at the informal meeting of the European Council in Poertschach, Austria. At this meeting in Poertschach, the British Prime Minister officially introduced his ideas on developing European defense capabilities and policies within the EU. Although no official text was released, press reports revealed that Blair presented three solutions to develop ESDI:<sup>33</sup>

- First, to continue to develop the ESDI within NATO
- Second, to examine a way to merge the WEU with the EU
- Finally, to recognize the necessity for NATO, WEU and EU to work together.

The second time the British shift regarding European defense policy became obvious was at the first informal meeting of the Defense Ministers of the EU in Vienna on 3 and 4 November 1998. This meeting was initiated by the Austrian EU presidency. With the precondition that this meeting would take place informally, the EU's defense ministers finally accepted the invitation.<sup>34</sup>

The Swedish minister of defense in particular expressed concern that such a meeting could encourage the EU to schedule meetings of the defense ministers on a regular basis and thereby challenge the traditional non-allied Swedish foreign policy.<sup>35</sup> The concerns expressed by a small non-allied EU member underscored the point that a

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<sup>33</sup> Background on the motivation for Blair's government to launch a European defense initiative in Saint-Malo are mentioned in: Assembly of the Western European Union, "WEU and European Defence: beyond Amsterdam." *WEU Assembly Report 1626*, 16 March 1999, p. 7.

<sup>34</sup> This information is based on the personal experience of the author, who was involved in the preparations for this informal meeting.

<sup>35</sup> The Swedish concerns regarding the EU's increasing role in security and defense are reflected in: "EU Must Not Alienate NATO," *Svenska Dagbladet*, Stockholm, November 22, 1999. A translation of excerpts from this article is furnished by The United States Mission to the European Union, Brussels, November 25, 1999. Available [Online]: [<http://www.useu.be/issues/esdi1211.html>], October 2000.



common European Union view about developing a European Security and Defense Policy did not exist at that time, although the British shift in foreign policy was obvious.

## **2. The Incoming German EU Presidency**

Another important reason for the low profile of the ESDP at the European Council in Vienna was the fact that Germany was designated to hold the next presidency. It was widely expected that Germany, as a major European power, would take credit for framing the outcome of Saint-Malo into a European Union perspective. During the end of the Austrian EU presidency, Germany was involved in a series of bi- and multilateral negotiations to finish a draft paper on European security and defense policy. This proposal was submitted to the members of the EU three months after the European Council in Vienna. The main elements of the proposal are identical to the wording employed in the final document approved at the European Council in Cologne in June 1999.<sup>36</sup>

## **3. Conclusions**

Although the shift in British policy regarding European security and defense policy was obvious, the European Council in Vienna was unable to frame this initiative into a concrete form. Instead, the European Council transferred crucial institutional reforms on European security and defense to the upcoming German presidency.

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<sup>36</sup> To compare the two documents see: *NATO News and Analysis*, "German Proposal on ESDI Unveiled, Complete Document". Available [Online]: [<http://www.basicint.org/natosum6-1.htm>], August 2000, and "Presidency Report on Strengthening of the Common European Policy on Security and Defence." Cologne, June 3-4, 1999. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000.

However, by welcoming the Saint-Malo initiative, the European Council in Vienna marked the beginning of the EU reform on European Security and Defense Policy.

## **B. THE EUROPEAN COUNCIL IN COLOGNE**

Under the German presidency, the European Council met in Cologne in June 1999, shortly after the 1997 agreed Treaty of Amsterdam entered into force. This treaty enhanced the CFSP by including the development of a Common European Security and Defense Policy and provided for integrating the WEU into the EU, "should the Council so decide."<sup>37</sup> In addition, the Amsterdam Treaty included the Petersberg tasks among the EU's responsibilities. Until the Amsterdam treaty was ratified, the Petersberg tasks remained simply an expression of the WEU's policy.<sup>38</sup>

Influenced by the Franco-British Saint-Malo initiative the German presidency took steps to endow the EU with the appropriate capabilities and structures to conduct crisis management operations within the framework of the Petersberg tasks. The German government submitted a proposal, "Strengthening the Common Policy on Security and Defence," at the informal foreign ministers meeting in March 1999. The proposal

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<sup>37</sup> See *Treaty on European Union*, Title V, Article 17 (1).

<sup>38</sup> At the WEU Ministerial Council in Bonn on 19 June 1992, the WEU approved the Petersberg Declaration stating that " Apart from contributing to the common defence in accordance with Article 5 of the Washington Treaty and Article V of the modified Brussels Treaty respectively, military units of WEU member States, acting under the authority of WEU, could be employed for: humanitarian and rescue tasks; peacekeeping tasks; task of combat forces in crisis management, including peacemaking." See "Western European Union Council of Ministers Petersberg Declaration," Available [Online]: [<http://www.weu.int/eng/comm/92-petersberg.htm>], October 2000. The Council also approved crisis management structures to pursue these tasks.

identified the EU decision-making structures necessary for autonomous EU-led operations and was based on the Franco-British Saint-Malo declaration.<sup>39</sup>

The European Council in Cologne approved three major decisions for the further development of the ESDI: (1) to integrate specific functions of the WEU into the EU while preserving the mutual collective defense clause in Article V of the modified Brussels Treaty;<sup>40</sup> (2) to introduce new decision-making bodies within the EU patterned after existing NATO structures; and (3) to permit non-EU NATO European allies to participate in EU-led operations to the fullest possible extent but without placing into question the decision-making autonomy of the EU.

#### **1. Absorbing the Functions of the WEU**

Traditionally, the WEU played the role of a mediator between the EU and NATO. Having developed a modest potential for military planning, the WEU was until recently the only option for the EU to execute military missions under the EU's political control. The relevant WEU institutions have included a Permanent Council, a Military Committee, a Military Staff, including the Planning Cell and a Situation Center, and the Satellite Center.<sup>41</sup>

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<sup>39</sup> NATO News and Analysis, "German Proposal on ESDI Unveiled, Complete Document," Available [Online]: [<http://www.basincint.org/natosum6-1.htm>], August 2000.

<sup>40</sup> Modified Brussels Treaty of 1954, Article V: "If any of the High Contracting Parties should be the object of an armed attack in Europe, the other High Contracting Parties will, in accordance with the provisions of Article 51 of the Charter of the United Nations, afford the Party so attacked all the military and other aid and assistance in their power."

<sup>41</sup> For the political and military role of the WEU between the EU and NATO see "WEU and European Defense: Beyond Amsterdam," Assembly of the Western European Union, Document 1636, 16 March 1999, p. 10-20.

The European Council in Cologne approved "The inclusion of those functions of the WEU which will be necessary for the EU to fulfill its new responsibilities in the area of the Petersberg tasks."<sup>42</sup> The document further stated that "The WEU as an organization would have completed its purpose"<sup>43</sup> by the end of the year 2000. This means that the WEU will not be absorbed wholesale into the EU. However, the Council's decision did not make clear which functions will be incorporated in the EU and when, or what will happen to the remaining functions and institutions of the WEU.

This ambitious agenda raised major questions and set up delicate tasks for the upcoming EU presidencies. This agenda implied two critical issues: (a) how to handle the mutual defense commitment in Article V of the modified Brussels Treaty and (b) how to organize the future relationship between the EU and NATO. It is worth mentioning that after 1993, when the Maastricht Treaty entered into force, the EU used the WEU as a point of contact with NATO for establishing cooperative arrangements, but had no institutional links to NATO on its own. Merging the WEU with the EU challenges NATO's efforts to establish ESDI within its structure, the concept approved at NATO's ministerial meeting in Berlin in June 1996. These issues raised major concerns in the United States. From the U.S. perspective, this decision tended to move the ESDI away from NATO and into the framework of the EU.<sup>44</sup>

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<sup>42</sup> In, "European Council Declaration on Strengthening the Common European Policy on Security and Defense," Cologne, June 3-4, 1999. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000.

<sup>43</sup> Ibid.

<sup>44</sup> See, Douglas Bereuter, House of Representative, Chairman on the Subcommittee on Asia and the Pacific and Chairman of the House delegation to the North Atlantic Assembly. "The Creation of the ESDI within the European Union: A U.S. Perspective," Update of a paper presented at a joint meeting of the Presidential Committee of the WEU Parliamentary Assembly, December 1999, text furnished by NATO Parliamentary Assembly, August 8, 2001.

## 2. EU and Collective Defense

It is important to mention that the initial signatories of the Brussels Treaty decided to assign the military implementation of the mutual collective defense commitment (expressed in that treaty) to NATO. This decision was based on the expectation of the continuation of the U.S. commitment to defend Europe, backed by an ongoing U.S. military presence in Europe.

In the execution of the Treaty, the High Contracting Parties and any Organs established by them under the Treaty shall work in close co-operation with the North Atlantic Treaty Organization. Recognizing the undesirability of duplicating the military staffs of NATO, the Council and its Agency will rely on the appropriate military authorities of NATO for information and advice on military matters.<sup>45</sup>

According to the decisions in Cologne, the collective defense commitment in Article V of the modified Brussels Treaty of 1954 will be preserved. This is primarily because there is no consensus among the EU members to integrate mutual collective defense commitments within the EU. However, it is important to highlight the fact that this topic is still on the political agenda of the EU. This tendency illustrates the changing relationship between the European allies and the United States. One can interpret this tendency as a signal explaining the “why” of ESDP/ESDI after the end of the Cold War.

The final document released in Cologne stated that “The different status of Member States with regard to mutual defence guarantees will not be affected” and that “The Alliance remains the foundation of the collective defense of its Member States.”<sup>46</sup>

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<sup>45</sup> Article IV, Modified Brussels Treaty, 1954.

<sup>46</sup> In, “European Council Declaration on Strengthening the Common European Policy on Security and Defense,” Cologne, June 3-4, 1999, par. 5. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000.

This wording, originally from the Saint-Malo declaration,<sup>47</sup> is open for interpretation. It does not necessarily mean that the WEU will cease to exist after the year 2000. On the other hand, preserving Article V of the modified Brussels Treaty will leave the Article V issue unresolved. Unless this mutual defense commitment is abandoned (which seems most unlikely), only two solutions are apparent:

- First, incorporating the collective defense article of the Brussels Treaty into the EU, either as a separate protocol or as a common task; or
- Second, transferring functions from the WEU to the EU in a way that collective defense still remains as “the last function of the WEU.”

Both options are highly controversial. Even after the European Council in Nice in December 2000, both are still under consideration. Including a collective defense clause in the EU’s treaty would change the character of the legal structure of the Union and would bring the political diversity of the EU members, in terms of their national security approaches, to an end. It is well known that Austrian neutrality or a Swedish non-allied policy is not consistent with the concept of collective defense. However, resistance to embracing collective defense within the EU treaty remains. At the same time, major WEU members do not wish to relinquish the collective defense clause of the Modified Brussels Treaty, as the Saint-Malo agreement indicates. In addition, including collective defense in the EU treaty would result in “back door security guarantees” for those EU members that

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<sup>47</sup> Franco-British Summit, “Joint Declaration on European Defense”, Available [Online]: [<http://info-france-usa.org/news/statements/pr/stmalo.htm>], October 2000.

are not NATO members.<sup>48</sup> The problem of “back door security guarantees” already exists within the WEU in that full membership is only recognized in conjunction with NATO membership. This is because NATO was responsible for honoring the mutual collective defense clause of the WEU. However, regarding the ESDI/ESDP development, the question of “back door security guarantees” for non-NATO members of the EU remains a serious U.S. concern.<sup>49</sup>

### **3. Framing the Relationship with NATO**

To transfer most of the WEU’s functions to the EU also raised the question of how to transform the well-established relationship between the WEU and NATO into a relationship between NATO and the EU.

Based on the decisions taken in Berlin in 1996, NATO approved a series of arrangements allowing the WEU access to NATO assets and capabilities. These arrangements cover the assignment of a European strategic commander (in practice, the Deputy Supreme Allied Commander Europe, known as DSACEUR) for WEU-led operations, the selection of NATO headquarters, and the adaptation of the CJTF concept, in order to ensure more flexibility for a European chain of command within NATO.<sup>50</sup>

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<sup>48</sup> Elmar Brok, Member of the European Parliament, Committee on Foreign Affairs, Common Security and Defense Policy, argued in the Hearing before the Committee on International Relations, House of Representatives, in Washington, November 1999, that “Due to the internal situation of such neutrals and non-allied countries, it is with difficulty that they go directly to any defense alliance. But if we put Article V [Brussels Treaty] into a protocol of the EU treaty, then it would be a easier after a time of cooperation on that basis, that such counties individually sign up for membership, which I think would be in our common interest.” In this context Brok mentioned Sweden, Finland and Austria. In Hearing before the Committee on International Relations House of Representatives, 106<sup>th</sup> Congress, First Session, November 10, 1999, Serial No. 106-106, p. 14.

<sup>49</sup> Ibid., p.14.

<sup>50</sup> See Frank Kramer, Assistant Secretary of Defense for International Security Affairs, “Transcript:

Recently, the two organizations have established close links, particularly in planning, consultation, and exercises. Most important for ESDI, NATO and the WEU agreed on a framework paper for the release and return of Alliance assets and capabilities.<sup>51</sup>

These agreements have to be translated into specific agreements, creating an institutional link between NATO and the EU. However, the EU declaration released in Cologne calls for “the development of effective mutual consultations, cooperation and transparency between the European Union and NATO.”<sup>52</sup> The decisions in Cologne raised the question of how such a new EU entity would link up to NATO. Cologne set the terms of this discussion.

In fact, the EU in Cologne approved separate EU decision-making structures, and thereby ignored the “political acquis”<sup>53</sup> of an established relationship between the WEU and NATO in order to ensure “the capacity for autonomous actions.”

#### **4. Duplication of NATO Structures and Decision-Making**

In order to ensure political control and strategic direction of EU-led operations the Presidency Report identified the need to approve the following new political and military bodies:<sup>54</sup>

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Kramer on NATO-EU Defense Planning”, Roundtable on DoD views concerning NATO-European Union defense planning, Washington, October 18, 2000, p. 4. Available [Online]: [<http://www.useu.be/issues/kram1018.htm>], October 2000.

<sup>51</sup> See, “The Washington Summit Communiqué: An Alliance for the 21<sup>st</sup> Century,” Washington D.C., 24 April 1999, par. 8. Available [Online]: [<http://www.whitehouse.gov/WH/New/statement3.htm>], October 2000.

<sup>52</sup> “Presidency Report on Strengthening of the Common European Policy on Security and Defence”, Cologne, June 3-4, 1999. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000.



- Regular (or ad hoc) meetings of the General Affairs Council, as appropriate, including defense ministers.
- A permanent body in Brussels (the Political and Security Committee) consisting of representatives with political and military expertise.
- An EU Military Committee consisting of Military Representatives making recommendations to the Political and Security Committee.
- An EU Military Staff, including a Situation Center.

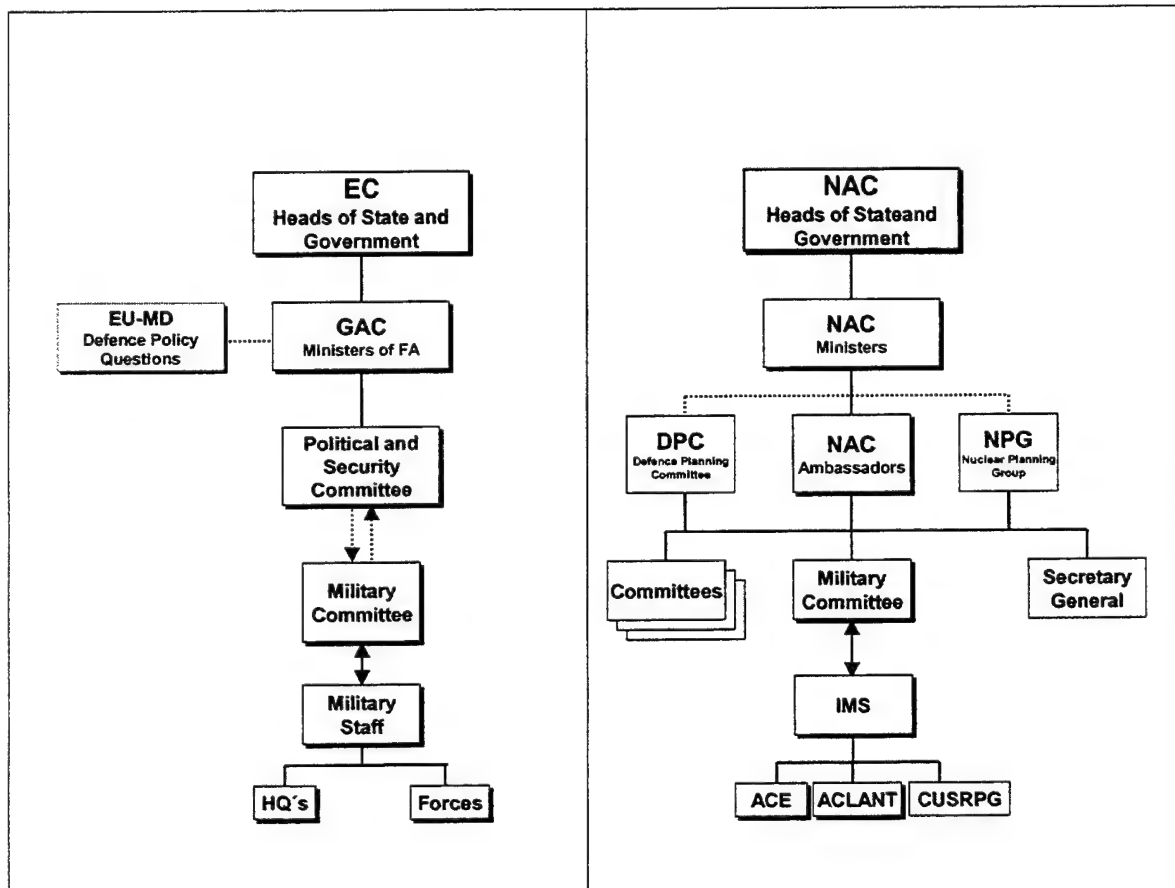


Fig.1: EU and NATO Parallel Structures

<sup>53</sup> The term "political acquis" means all the political achievements of an entity or organization.

<sup>54</sup> In, "Presidency Report on Strengthening of the Common European Policy on Security and Defence," Cologne, June 3-4, 1999. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000.

Comparing the new EU decision-making bodies with those of NATO makes obvious the duplication of existing NATO structures. Duplicating NATO's decision-making bodies is not a new phenomenon in European security policy. The political and military structure of the WEU has always been a duplication of NATO structures and procedures, to a certain extent.<sup>55</sup> This process of duplication even accelerated after the EU defined the WEU as its military arm to conduct crisis management operations, as specified in the Maastricht Treaty.

However, unlike the EU decision in Cologne, the United States did not criticize this duplication extensively. One of the reasons why the United States reacted differently to the duplications was the impression that the decisions in Cologne might create an ESDI within the EU and decoupled from NATO, while the role of the WEU as the European pillar of NATO had always been clearly defined.<sup>56</sup> The WEU political-military structures and the structures established by the European Council in Cologne had in common a lack of capabilities. Without such capabilities, the EU's ability to conduct autonomous actions is limited.

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<sup>55</sup> Although the Brussels Treaty, as modified in 1954, explicitly recognized in Article IV the undesirability of duplicating the military staffs of NATO, and indicated that the WEU would rely on the appropriate military authorities of NATO, an increasing amount of structural duplication was undertaken after the implementation of the Maastricht Treaty. See *Das Europäische Sicherheitssystem EU, WEU, NATO und Oesterreich - Europa 2000*, Oesterreichisches Institut fuer Europaeische Sicherheit, Vienna, 1998, pp. 17-21.

<sup>56</sup> The changing U.S. perception of the ESDI before and after Cologne is described in Douglas Bereuter, "The Creation of the ESDI within the European Union: A U.S. Perspective." Update of a paper presented at a joint meeting of the Presidential Committee of the WEU Parliamentary Assembly, December 1999, text furnished by NATO Parliamentary Assembly, August 8, 2001.

Aware of these shortfalls, the European Council in Cologne identified two types of EU operations:<sup>57</sup>

- EU-led operations using NATO assets and capabilities, and
- EU-led operations without recourse to NATO assets and capabilities.

In conclusion, the new structures envisaged by the EU in Cologne in fact duplicated key political-military structures in NATO. Such duplications also exist within the WEU. However, the establishment of the EU's decision-making bodies concealed the lack of capabilities to make these structures operational. Today the EU still depends on NATO's capabilities to conduct its "autonomous" operations in European security and defense contingencies.

Aware of these shortfalls, the European Council identified the need to develop further the EU's forces, including headquarters. The Council also defined a set of main characteristics for such European capabilities: "Deployability, sustainability, interoperability, flexibility and mobility."<sup>58</sup> These general objectives are shared by NATO's Defense Capabilities Initiative, approved at the Alliance's Washington summit in April 1999.

To increase the capabilities became the focus of the next six-month period of EU deliberations, held under the Finnish Presidency. However, by approving political and military structures parallel to those in NATO, the EU in Cologne introduced a new approach to ESDI: to start to establish ESDP/ESDI in the framework of the EU.

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<sup>57</sup> "Presidency Report on Strengthening of the Common European Policy on Security and Defence," Cologne, June 3-4, 1999, par.4. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000.

<sup>58</sup> "Presidency Report on Strengthening of the Common European Policy on Security and Defence", Cologne, June 3-4, 1999.

## **5. The Relationship to Non-EU NATO European Allies**

The relationship between NATO and the EU is closely linked to the issue of integrating non-EU NATO European allies into the decision-making bodies of the EU. In order to conduct EU-led operations, the EU relies on arrangements with NATO for the use of the Alliance's assets and capabilities, as agreed at NATO's ministerial meeting in June 1996 and in the Washington summit decision of April 1999.<sup>59</sup> However, implementing these decisions depends on the consensus of all NATO members, non-EU Allies included.

The Cologne declaration calls for "satisfactory arrangements ... to ensure their [European NATO members] fullest possible involvement in EU-led operations, building on existing consultation arrangements within WEU"<sup>60</sup> but without placing into question the EU's decision-making autonomy on matters of principle and policy. The EU also approved the principle that "all participants in an EU operation will have equal rights in that operation."<sup>61</sup>

This wording does not answer all the questions associated with non-EU NATO European allies participating in the decision-making process in an EU-led operation. Non-EU European NATO Allies still insist on the right of equally participating in all aspects of such operations, including the decision-making by the European Council.

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<sup>59</sup> See "The Washington Summit Communiqué: An Alliance for the 21<sup>st</sup> Century," Washington D.C., 24 April 1999, par. 8. Available [Online]: [<http://www.whitehouse.gov/WH/New/statement3.htm>], October 2000.

<sup>60</sup> "Presidency Report on Strengthening of the Common European Policy on Security and Defence", Cologne, June 3-4, 1999. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000.

<sup>61</sup> Ibid.

According to the decision made by the Council in Cologne, the EU will consider equal participation of non-EU European NATO allies only after the European Council autonomously has made a decision to conduct an operation. The European Council might then invite non-EU NATO European allies to participate with rights equal to those of EU members. This text basically laid down the EU's position on the relationship between the EU and non-EU NATO European allies. This position was not changed by the decisions of the European Council in Nice in December 2000. This underlines, like no other question, the consistent approach of the EU in dealing with non-EU European NATO allies.

Nonetheless, despite the decisions of the Council in Cologne, the problem of equal participation of non-EU NATO European allies still exists. As long as the EU lacks capabilities and depends on access to NATO assets and capabilities to conduct EU-led operations, non-EU NATO Allies have the right to block NATO decisions crucial for the EU's access to NATO capabilities. On the other hand, such a tendency might encourage the EU to focus on developing its own capabilities.

### **C. FINDINGS AND CONCLUSIONS AND OPEN QUESTIONS**

The European Council in Vienna avoided any decisions on structural changes in ESDP/ESDI. The primary reason for this low profile was that the British shift in European security and defense policy was being discussed among the members of the EU. However, by welcoming the Saint-Malo initiative, the European Council marked the beginning of the EU's reform on European security and defense policy.

The European Council in Cologne in June 1999 enabled the EU to construct the necessary structure to conduct crisis management operations and "to play a full role on the international stage."

The Council's decision to absorb key functions of the WEU into the EU by the end of the year 2000 challenged the established relationship between NATO and the WEU. However, drawing on the Saint-Malo declaration, the Council emphasized that the mutual defense guarantees laid down in Article V of the Brussels Treaty, as modified in 1954, should be maintained, even after the WEU's institutional functions had been transferred to the EU. This perspective could imply "back door mutual defense guarantees" for the EU countries which are not members of NATO or create various levels of EU membership: for example, those committed by mutual defense guarantees on one side, and the other EU members on the other side.

According to the decisions in Cologne, the participation of non-EU NATO European Allies in EU-led operations should be based on "satisfactory arrangements ... to ensure their fullest possible involvement," but without placing into question the EU's autonomy in the decision making process.

The main outcome of the European Council in Cologne was the approval of political decision-making structures designed to parallel corresponding NATO structures in order to ensure an autonomous decision-making capacity for the EU. At the same time these structures lack capabilities to make it operational. Consequently, the question of how to develop and improve capabilities became the EU's focus after Cologne.

In conclusion, the European Council in Cologne was the beginning of a process establishing ESDI/ESDP within the EU. The European Council in Cologne did not

establish an institutional link to NATO, nor did the Council define how to integrate non-EU NATO European allies into the new structures. However, the Council also avoided promising equal participation by non-EU members in the decision making process. The outcome of the European Council in Cologne concerning ESDI/ESDP questions was therefore distinct from the concept of framing ESDI/ESDP within NATO, as approved in Berlin in June 1996 by the North Atlantic Council.

#### **IV. THE EUROPEAN COUNCIL IN HELSINKI: A BROADER POLITICAL CONTEXT**

This chapter discusses the decisions of the European Council in Helsinki in December 1999. The Council introduced a common European "headline goal" and "collective capability goals" to acquire the means necessary for EU-led operations. This chapter also explains how this major EU initiative relates to European experiences during the 1999 Kosovo campaign, NATO's Operation Allied Force. Furthermore, this chapter evaluates the headline goal and supports the conclusion that projected EU-led forces will probably be incapable of performing the upper spectrum of the Petersberg tasks, despite the improvements expected in 2003, when the EU headline goal is to be attained.

The European Council in Helsinki also initiated the EU defense planning process, which is probably the most disturbing issue from the perspective of the United States and other non-EU members of NATO. The chapter therefore contrasts the defense planning process in NATO with the projected defense planning process in the EU and explains why this issue is of utmost importance. Finally, the chapter compares the EU's headline goal with NATO's Defense Capabilities Initiative to indicate the overlapping character of these initiatives. Overall, the chapter investigates the emphasis of the EU on developing bilateral and multilateral means to enhance European capabilities, as suggested in the bilateral French-British summit at Saint-Malo and other European declarations. The conclusions reveal the importance of establishing a reliable relationship between the EU and NATO in order to avoid (a) unnecessary duplications of efforts and (b) divisions among the EU nations and the non-EU members of NATO, such as Turkey and the United States.



## **A. LESSONS LEARNED FROM KOSOVO**

Even though Operation Allied Force in the Kosovo conflict was a success, the campaign also highlighted the gap in capabilities between the European Allies and the United States. In this particular case, the European Allies were not able to play a more prominent role because they lacked the capabilities to support such ambitions. The Europeans recognized that U.S. airplanes undertook the most demanding missions, simply because these were the only available aircraft capable of flying at night and in any weather.<sup>62</sup> Elmar Brok, Chairman of the Committee on Foreign Affairs, Human Rights, and Security and Defence Policy of the European Parliament, summarized the lessons Europeans drew from the conflict in the former Yugoslavia:

What we have learned from Kosovo and from the whole Yugoslavia conflict is that with proper European capacities, we should have avoided war in the very beginning and the loss of many, many lives in this region before the shooting started in the beginning of the 1990's. I think this is our main concern: to get capacities to prevent such wars. We can only prevent them if we have enough military capacity to show that we can also use military instruments.<sup>63</sup>

NATO Secretary General Lord George Robertson pinpointed another aspect, equally important for the development of the ESDI. He summarized:

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<sup>62</sup> The capability gap between the European allies and the United States is explained in Strobe Talbott, "America's Stake in a Strong Europe," Remarks at a Conference on the future of NATO, The Royal Institute of International Affairs, London, October 7, 1999. Text issued by The United States Mission to the European Union. Available [Online]: [<http://www.useu.be/issue/esdi1007.html>], January 2001.

<sup>63</sup> Elmar Brok, Chairman of the Committee on Foreign Affairs, Human Rights, and Security and Defense Policy of the European Parliament Hearing before the Committee on International Relations House of Representatives, 106<sup>th</sup> Congress, First Session, November 10, 1999, Serial No. 106-106, p. 19. Available [Online]: [[http://www.house.gov/international\\_relations](http://www.house.gov/international_relations)], October 2000.

The Kosovo air campaign demonstrated just how dependent the European Allies had become on US military capabilities.<sup>64</sup>

However, while NATO's experience in Kosovo strengthened NATO's unity, it simultaneously gave impetus to efforts undertaken by major EU members to create an autonomous ESDP within NATO. Indeed, the French Minister of Defense, Alain Richard, crystallized the final conclusion for Europe:

It is also true during the [Kosovo] crisis that some Europeans experienced a slight frustration by not being able to contribute militarily up to the level of the political stakes for Europe. Indeed, they do not wish to find themselves in the same position if a new crisis were to arise.<sup>65</sup>

However, the frustrating European experience during the Kosovo campaign, coupled with U.S. political dominance, may have provoked the EU to launch the initiative to increase the EU's capabilities for autonomous military and non-military actions. Focusing on capabilities became the major task of the EU after the decision in Cologne in June 1999, when they chose to incorporate political and military decision-making bodies within the EU.

## **B. FOCUSING ON CAPABILITIES**

While the focus of the European Council in Cologne was on introducing decision-making bodies, the European Council in Helsinki was focused on capabilities, in particular the introduction of the headline goal and collective capability goals.

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<sup>64</sup> Lord Robertson, "Rebalancing NATO for a Strong Future," Remarks at the Defence Week Conference, Brussels, Belgium, 31 January 2000, quoted in: David S. Yost, "The NATO Capabilities Gap and the European Union," *Survival*, vol. 42, Winter 2000-01, p. 99.

<sup>65</sup> See, Alain Richard, Minister of Defense, France, "European Defense," Remarks to the Clingendael Institute, Le Haye, February 10, 2000. Available [Online]: [<http://info-france-usa.org/news/statmnts/richard/lahaye.htm>], October 2000.

After the European Council in Cologne, the United States was concerned because of its impression that the new structures implied acting outside the Alliance whenever possible, rather than through the Alliance. The European Council's decision to endorse the headline goal and collective capability goals six months later in Helsinki reinforced the United States concerns. From a U.S. point of view, the EU's headline goal and collective capability goals could imply the development of separate requirements for the same forces. Such a process could lead to incompatibility between NATO's defense planning and the EU's defense planning, as envisaged by the European Council in Helsinki, and could therefore contribute to a division between the EU and the United States.

However, since the EU introduced a process which may lead to a separate EU defense planning system, establishing the proper link between the EU and NATO has become the most important strategic question of ESDI/ESDP development. Some European nations (France in particular) are reluctant to encourage developing such a relationship. Some EU states feel that the EU should complete its internal restructuring process before turning to this matter. Others think that cooperation with NATO automatically means submission to U.S. defense policy.<sup>66</sup> As a matter of fact, neither the European Council in Cologne nor the European Council in Helsinki established a proper EU-NATO relationship on the strategic-political level. The same problem exists on the operational level with regard to questions such as linking NATO's DCI with the EU headline goal. This relationship became of utmost importance after the EU Council in

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<sup>66</sup> Alexander Vershbow, "European Defense: European and American Perception," Speech given before the Transatlantic Forum in Paris, May 18, 2000. Text furnished by The United States Mission of the European Union. Available [Online]: [<http://www.useu.be/issues/vers0518.html>], October 2000.

Helsinki. If NATO's ESDI and the EU's ESDP develop with complementarity, these initiatives will reinforce each other; if not, they could create two standards for the same forces.

### **1. The Approval of Headline Goals**

The key to ESDI/ESDP success is the improvement of capabilities. By introducing headline goals and collective capability goals, the European Council in Helsinki invented capability requirements in order to prepare for EU-led operations.

The Council approved:

To develop European capabilities, Member States have set themselves the headline goal: by the year 2003, cooperating together voluntarily, they will be able to deploy rapidly and then sustain forces capable of the full range of Petersberg tasks as set out in the Amsterdam Treaty, including the most demanding, in operations up to corps level (up to 15 brigades or 50,000-60,000 persons). These forces should be militarily self-sustaining with the necessary command, control and intelligence capabilities, logistics, other combat support services and additionally, as appropriate, air and naval elements. Member States should be able to deploy in full at this level within 60 days, and within this to provide smaller rapid response elements available and deployable at very high readiness. They must be able to sustain such a deployment for at least one year. This will require an additional pool of deployable units (and supporting elements) at lower readiness to provide replacements for the initial forces.<sup>67</sup>

This ambitious plan introduced by the European Council raises the following important questions: Will the EU be able by the year 2003 to employ these forces to meet the requirements for missions similar to KFOR or SFOR? In order to meet these requirements will the EU draw on forces assigned to NATO to conduct an EU-led operation? Will the EU introduce an autonomous defense planning process? If so, how

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<sup>67</sup> See "Presidency Report on Strengthening of the Common European Policy on Security and Defence," Cologne, June 3-4, 1999. Available [Online]: [[http://europe.eu.int/council/off/conclu/dec99/dec99\\_en.htm](http://europe.eu.int/council/off/conclu/dec99/dec99_en.htm)], October 2000.

will such a process be linked to NATO? Above all, will the EU be willing to establish a proper relationship with NATO before EU structures are settled?

However, by setting the headline goal and collective capability goals, the EU took the first step to establish the capabilities needed to make ESDP operational. Whether this approach will be successful or not remains to be seen.

## **2. Headline Goal –Quality Versus Quantity**

The headline goal suggests that by 2003 the EU should be able to deploy 50,000 to 60,000 persons for a sustained operation of one year or more in order to accomplish the Petersberg tasks, including the most demanding missions.<sup>68</sup> The operational force should enable the EU to pursue missions like KFOR in Kosovo or SFOR in Bosnia. Some experts predict that the EU might take over the lead from NATO in KFOR or SFOR, once these requirements are fulfilled.<sup>69</sup>

However, there are doubts about the vagueness of the headline goal and about the quantity of forces specified in it. Critics question whether this number of forces is

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<sup>68</sup> In order to evaluate what kind of mission out of the Petersberg spectrum requires what kind of military assets, the WEU divided the Petersberg tasks into the following missions: (1) Evacuation, unopposed or opposed: Natural or Man-made Disaster, Hostile Environment for European Citizens. (2) Humanitarian Tasks: Specialized Assistance and Logistic Support Operations, Security Operations, Combined Assistance/Logistic Support and Security Operations. (3) Peacekeeping: Observation, Monitoring, Supervision of Protected Areas, Conflict Prevention (preventive deployment), Guarantee and Denial of Movement, Military Assistance, Demobilization, Interposition, Humanitarian Assistance. (4) Peace Enforcement: Deterrence, Enforcement of Sanctions, Containment, Incidental Coercive Measures (Peace Restoration, Humanitarian Intervention, Establishment/Maintenance of Protected Areas, Guarantee and Denial of Movement, Separation of Belligerents Using Force and Liberation of Occupied Territory). The often used term "upper" and "lower" spectrum of Petersberg tasks refer to these tasks. Western European Union, April 19, 1998.

<sup>69</sup> Pierre Lefevre, "A European Army?" *Le Soir*, Belgium, October 22, 1999. Lefevre is diplomatic correspondent of *Le Soir*. The United States Mission to the European Union issued a translation of this article on November 25, 1999. Available [Online]: [<http://www.useu.be/issues/esdi1211.html>], October 2000.

sufficient to meet the requirements of undertaking sustained operations like KFOR or SFOR because the 50,000 to 60,000 troops include command, control and intelligence capabilities, logistics, other combat support and additionally, as appropriate, air and naval elements.<sup>70</sup> According to Yost and Heisbourg, these logistics and support elements necessary would reduce the actual deployable number of combat troops to a level between 20,000 and 30,000 persons, which is a significantly lower level than NATO has deployed in Kosovo. (The strength of the NATO forces in Kosovo has been as high as 52,000.)<sup>71</sup> However, this number of deployable forces does not include a 3:1 force ratio for the purpose of rotation, and therefore the number of forces might be even lower than 30,000 to 20,000. Based on the total figure of 50,000 to 60,000 troops deployable and for a sustained operation, an additional interpretation of these figures seems also possible. To deploy this number of forces in the field the available number of forces to sustain an operation for at least one year might easily go up to 200,000 due to rotation, logistic support and other factors. However, this interpretation of the headline goal might go beyond the capacity of EU members to provide for an EU-led operation.

This critique about the headline goal is valid. The European Union nations do have a significant number of forces, but currently face the problem of deploying and sustaining these forces abroad. One of the reasons for these problems is the declining defense spending in NATO Europe (and the EU) and the capabilities gap between the

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<sup>70</sup> David Yost agrees with the skeptical approach of Francois Heisbourg. Both authors argue that the force of 50,000 to 60,000 is insufficient in strength to meet the challenge of an intervention in a non-permissive environment. See, David S. Yost, "The NATO Capabilities Gap and the European Union", *Survival*, vol. 42, Winter 2000-01, pp. 115-116.

<sup>71</sup> *Military Balance, 1999-2000* (London: International Institute for Strategic Studies, 1999), p. 298.

United States and the European Allies.<sup>72</sup> In fact, the number of forces for EU-led operations envisaged in the headline goal strongly supports the conclusion that the current EU ability for crisis management is primarily focused on the lower scale of the Petersberg spectrum.

However, it has to be mentioned that the deadline to meet the headline goal is the year 2003. By that time the major EU countries will have completed their ongoing reforms of the armed forces in order to improve their power projection capabilities. Britain and France have undertaken major efforts to adapt their armed forces. Britain's Strategic Defense Review, launched in 1998, has emphasized the need to increase Britain's capabilities for expeditionary operations, including deployable headquarters for command, control, communications and intelligence. This includes joint logistics support and strategic lift, for which London has initiated numerous procurement projects.<sup>73</sup> France has followed the same path. According to an ambitious six-year plan introduced in 1996, France will be able by the year 2002 to assign as many as 100,000 personnel to missions outside France. With this pool of 100,000 personnel, France intends to contribute up to 50,000 personnel for any major regional conflict.<sup>74</sup> Similar programs are in place in Germany, Italy and other countries. Indeed, there is a Europe-wide tendency to shift from a conscript system to a professional one, and from territorial defense to interventionary capabilities. On the other hand, accomplishing the upper range of the

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<sup>72</sup> Europe spends roughly 60% of what the United States does on defense but achieves about 10% of the capability. U.S. Secretary of Defense, William Cohen, quoted in: David S. Yost, "The NATO Capabilities Gap and the European Union, *Survival*, vol. 42, Winter 2000-01, p. 99.

<sup>73</sup> "Draft interim Report: The Defence Capabilities Initiative and NATO's Strategic Concept," NATO Parliamentary Assembly Report AT-245-DSC-00-5, Committee on Defence and Security, Sub-Committee on Future Security and Defence Capabilities, October 2000, par. 28. Available [Online]: [<http://www.naa.be/publications/comrep/2000/at-245-e.html>], February 2001.

Petersberg tasks is not only a matter of manpower; it also requires weapons, transport, C3I, and other equipment. This is the reason why the development of a European industrial base for procurement is paramount to the development of an autonomous European capability for ESDI/ESDP. This point has been highlighted in each EU document since Saint-Malo relevant to the development of ESDI/ESDP.

As a matter of fact, restructuring the armed forces of the major European countries has been based primarily on political considerations. This has been true in particular true for France but also for Britain, as reflected in the Strategic Defense Review. It is not clear how the process of restructuring the armed forces contributed to the idea of inventing an autonomous EU defense capability. In fact, France started this process in 1996 and Britain followed in 1998 with the Strategic Defense Review. Both states plan to have the necessary interventionary capabilities by the year 2003, a deadline mentioned also at the European Council in Helsinki.

In fact, the EU's headline goal reveals the current gap between available capabilities for EU-led operations and the EU's political intentions. However, the success of the process outlined by the EU has to be judged by its long-term results. Until the EU requirements are met, the EU will depend on NATO's ability to cover the upper spectrum of the Petersberg tasks.

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<sup>74</sup> Ibid., par. 32.



### 3. Establishing a European Defense Planning Process

Regarding EU defense planning, the European Council in Helsinki approved the following vague approach to this issue:

The General Affairs Council, with the participation of Defence Ministers, will elaborate the headline and capability goals. It will develop a method of consultation through which these goals can be met and maintained, and through which national contributions reflecting Member States' political will and commitment towards these goals can be defined by each Member State, with a regular review of progress made. In addition, Member States would use existing defence planning procedures, including, as appropriate, those available in NATO and the Planning and Review Process (PARP) of the PfP. These objectives and those arising, for those countries concerned, from NATO's Defence Capabilities Initiative (DCI) will be mutually reinforcing.<sup>75</sup>

According to this text, defense planning will be part of the EU's structural abilities. As with NATO's defense planning, the text implies a two level system, with defense planning in the EU General Affairs Council and in the participating countries. The document refers to a "regular review process," yet indicates that "the commitment towards these goals can be defined by each member state". This vague wording implies the establishment of an EU defence planning process, but does not define structures. Nor did the European Council define the participants in this process, or the relationship to NATO's defense planning structure.

However, this ambiguity might reflect France's desire to establish an EU defense planning process to counterbalance its absence from NATO's corresponding structures.<sup>76</sup>

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<sup>75</sup> In, "Presidency Report on Strengthening of the Common European Policy on Security and Defence," Helsinki, 10-11 December 1999, Available [Online]: [[http://europe.eu.int/council/off/conclu/dec99/dec99\\_en.htm](http://europe.eu.int/council/off/conclu/dec99/dec99_en.htm)], October 2000.

<sup>76</sup> France left the integrated military structures of NATO in 1966 and has not participated in the NATO collective defense planning process since then.

In fact, the text does not foresee institutional links between NATO and EU defense planning but emphasizes the mutually reinforcing character of NATO's DCI and the EU's headline and collective capability goals.

Finally, the European Council in Helsinki initiated an EU defense planning process but did not define whether this process will be separate from NATO procedures or institutionally linked.<sup>77</sup> Linking the EU's defense planning to the corresponding process in NATO became a priority for the upcoming presidencies.

#### **4. Headline Goals and DCI**

The Defense Capabilities Initiative (DCI) was approved in April 1999 at NATO's Washington summit. The intent of the DCI was to increase NATO's defense capabilities "through improvements in the deployability and mobility of Alliance forces, their sustainability and logistics, their survivability and effective engagement capability, and command and control and information systems."<sup>78</sup> Comparing the DCI with the EU's headline goal reveals similarities, but there are also major differences:

The headline goal is part of the EU's defense policy. The EU's headline goal is based on the conclusions drawn by the WEU in evaluating available assets and capabilities for the entire spectrum of Petersberg tasks, including the most demanding

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<sup>77</sup> The question whether the EU's defense planning should take place in separate EU structures or within NATO became a major issue after the European Council in Nice in December 2000. France has accepted that EU defense planning should be accomplished by using NATO capabilities. However, progress on this issue has not been made because Turkey has vetoed any decision on the assured access to NATO assets. Ironically, this situation encourages the EU to argue in favor of developing its own defense planning capabilities separate from NATO. Joseph Fitchett, "Turkey Puts Roadblock In EU Force Negotiations" *International Herald Tribune*, January 26, 2001, p. 1.

<sup>78</sup> North Atlantic Council, Washington Summit Communiqué, 24 April 1999, par. 11.

missions.<sup>79</sup> The WEU conclusions on necessary capabilities made a central contribution to the EU's decisions in Cologne<sup>80</sup> in June 1999 and in Helsinki in December 1999 to define specific requirements.

As regards military capabilities, Member States need to develop further forces (including headquarters) that are suited also to crisis management operations, without any unnecessary duplication. The main characteristics include: deployability, sustainability, interoperability, flexibility, and mobility.<sup>81</sup>

As part of the NATO defense planning process, the DCI covers the whole spectrum of NATO's missions, Article 5 objectives<sup>82</sup> included, while the EU's headline goal concerns the Petersberg spectrum, excluding collective defense requirements because this task remains NATO's responsibility.

In addition, the DCI includes requirements, such as "defences against cruise and ballistic missiles and against chemical and biological weapons," which the headline goal does not mention.<sup>83</sup> However, DCI requirements are more demanding and broader than the EU headline goal. For the eleven EU countries in NATO, the EU's headline goal and NATO's DCI affect the same forces and are, according to the conclusions drawn in

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<sup>79</sup> The conclusions of this study were submitted to the Meeting of the WEU Council of Ministers in Luxembourg, December 1999. See, "WEU Audit of Assets And Capabilities For European Crisis Management Operations: Recommendations For Strengthening European Capabilities For Crisis Management Operations," Luxembourg, 23 November 1999. Available [Online]: [<http://www.parliament.the-stationery-office.co.uk/pa/cm199900/cmselect/cmdfence/264/26423.htm>], January 2001.

<sup>80</sup> Compared to the WEU's conclusions in its Audit, the European Council in Helsinki defined the requirements for European capabilities vaguely.

<sup>81</sup> "Presidency Report on Strengthening of the Common European Policy on Security and Defence," Cologne, June 3-4, 1999. Available [Online]: [[http://europe.eu.int/council/off/conclu/dec99/dec99\\_en.htm](http://europe.eu.int/council/off/conclu/dec99/dec99_en.htm)], October 2000.

<sup>82</sup> Article 5 of the North Atlantic Treaty covers the collective defense clause. See, North Atlantic Treaty Organization: Handbook, Office of Information and Press, Brussels, 1999, pp. 393-399.

<sup>83</sup> See, David S. Yost, "The NATO Capabilities Gap and the European Union," *Survival*, vol. 42, Winter 2000-01, p. 119.

Helsinki, mutually reinforcing. Secretary of Defense William Cohen recognized the overlap between the DCI and the headline goal when he pointed out:

As long as it is understood ... that this [the headline goal] is done within the context of having a European capability that will strengthen NATO itself, there is no ground for this speculation that somehow, this is leading to a division between Europe and the United States.<sup>84</sup>

However, the development of EU defense planning capabilities will serve as an indicator: Either this process will be established simultaneously in close cooperation with NATO in order to avoid unnecessary duplications or the process will lead to separate EU defense planning structures.

## **5. Defense Planning in NATO versus Defense Planning in the EU**

Defense planning generally is based on strategic and political goals, defining common strategic requirements (including common capability goals). One of the aims of the defense planning is to introduce an advisory process to harmonize national defense plans. Although this process lacks any formal enforcement mechanism, it has a strong impact on the national level.<sup>85</sup>

At present, NATO is the only multinational European security organization capable of defense planning. Defense planning in NATO exists on three levels: strategic

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<sup>84</sup> William Cohen, Press Conference at NATO Headquarters in Brussels, Belgium on December 2, 1999. Text furnished by the United States Mission to the European Union. Available [Online]: [<http://www.useu.be/issues/esdi1202.html>], October 2000.

<sup>85</sup> A detailed explanation of how NATO's force planning interacts with the national level and how force goals are interlinked with the DCI may be found in "Draft interim Report: The Defence Capabilities Initiative and NATO's Strategic Concept", NATO Parliamentary Assembly Report AT-245-DSC-00-5, Committee on Defence and Security, Sub-Committee on Future Security and Defence Capabilities, October 2000.

defense planning, force planning, and operational planning.<sup>86</sup> Each is described below in relation to the EU's headline goal:

- Strategic defense planning in NATO is a biennial process, in which the defense ministers agree on Ministerial Guidance containing the priorities for the defense planning process. The EU has comparable institutions in the European Council and the General Affairs Council (including the defense ministers), as established in Cologne in June 1999.
- Based on the Ministerial Guidance, NATO then agrees upon Force Goals in coordination with its member states in a two-level process. On the basis of these force goals, member states harmonize their national defense plans in order to provide the needed capabilities. The DCI affects the definition of Force Goals. This is important because the 58 DCI items and the EU headline goal are interrelated in terms of their objectives, to improve "deployability, sustainability, interoperability, flexibility and mobility."<sup>87</sup> In addition, the Planning and Review Process (PARP) of the PfP links NATO's PfP Partners to the force planning process, because 80% of the Partnership Goals defined in the PARP are related to DCI items.<sup>88</sup> However, at this level NATO Force Goals and the EU headline goal

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<sup>86</sup> An explanation of the various levels of NATO's defense planning may be found in Frank Kramer, Assistant Secretary of Defense for International Security Affairs, "Kramer on NATO-EU Defense Planning," Roundtable on DoD views concerning NATO-European Union defense planning, Washington, October 18, 2000, p. 3. Available [Online]: [<http://www.useu.be/issues/kram1018.htm>], October 2000.

<sup>87</sup> "Presidency Report on Strengthening of the Common European Policy on Security and Defence", Cologne, June 3-4, 1999. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000, par.4.

<sup>88</sup> "Draft interim Report: The Defence Capabilities Initiative and NATO's Strategic Concept," NATO Parliamentary Assembly Report AT-245-DSC-00-5, Committee on Defence and Security, Sub-Committee on Future Security and Defence Capabilities, October 2000, par. 97. Available [Online]: [<http://www.naa.be/publications/comrep/2000/at-245-e.html>], February 2001.

are overlapping. This is the institutional level where the link between the defense planning capabilities of NATO and the EU come together.

- The third level is operational planning, which is basically contingency planning.

How the EU will conduct its defense planning process is probably the most critical issue affecting the NATO-EU relationship. If the EU introduces its own defense planning at all three levels in order to meet its headline and collective capability goals, defense planning within the EU might become separate from NATO's defense planning procedures and goals. Alexander Vershbow, the Permanent U.S. Representative on the North Atlantic Council, stressed the importance for the EU and NATO to cooperate in this field:

If NATO and the EU do not work together on defense planning, it could lead to competing or even conflicting priorities being given to member nations in the two organizations. The consequence could be a weakening of the Alliance's overall capacity to deal with major crises, together with new political frictions in the trans-Atlantic relationship. An EU that divides Europe, weakens NATO and creates new strains with Washington will not be a stronger EU. And it will likely not achieve the credible capacity to manage crises that is the reason for developing ESDP in the first place.<sup>89</sup>

The EU still relies on NATO structures in defense planning. Therefore, major issues in relations between the EU and NATO include "assured access to NATO planning capabilities able to contribute to military planning for EU-led operations"<sup>90</sup> and "the

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<sup>89</sup> Alexander Vershbow, United States Permanent Representative on the North Atlantic Council to NATO, speech addressing the Centre d'Etudes Europeennes de Waterloo, "European Defense and NATO: A Vision of the Future NATO-EU Relationship," Waterloo, Belgium, October 19, 2000, text furnished by The United States Mission to the European Union. Available [Online]: [<http://www.useu.be/ISSUES/vers1019.html>], October 2000.

<sup>90</sup> See "Presidency Report on Strengthening of the Common European Policy on Security and Defence," Cologne, June 3-4, 1999. Available [Online]: [<http://info-france-usa.org/news/statements/eudef8.htm>], October 2000.

presumption of availability to the EU of pre-identified NATO capabilities and common assets for use in EU-led operations.”<sup>91</sup> The basic decision to provide such assured access to NATO’s planning capability was made at the North Atlantic Council meeting in Berlin in 1996, and was reaffirmed at the NATO Summit in Washington in 1999.<sup>92</sup> The question of assured access to NATO’s planning capabilities is linked to the question of equal participation by non-EU NATO European allies in the EU’s decision-making structures regarding ESDP.

However, fulfilling the headline goal means either to establish a defense planning process within the EU or to rely on NATO’s capability. Nevertheless, there is also a third possibility based on a two-level system between NATO and the EU. While the EU and NATO would define the common strategic goals in the defense planning process, the development of force planning goals would be carried out by NATO. The designated headquarters are able to carry out contingency planning. Although the European Council in Helsinki did not further develop practical arrangements between NATO defense planning and the projected EU defense planning, the Council did not rule out such a possibility. The Council’s approach to defense planning underlined the need for the establishment of proper relations between NATO and the EU.

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<sup>91</sup> Ibid.

<sup>92</sup> In Berlin, 1996, NATO and the WEU agreed on “conducting at the request of and in coordination with the WEU, military planning and exercises for illustrative WEU missions identified by the WEU.” In: Final Communiqué, Ministerial Meeting of the North Atlantic Council, Berlin, June 1996, par.7. See also, Washington Summit Communiqué, “An Alliance for the 21<sup>st</sup> Century,” par. 10, a-b. Available [Online]: [<http://info-france-usa.org/news/statmnts/otancom.htm>], October 2000.

## 6. Developing Parallel Military Structures and Capabilities

To develop the “capacity for autonomous actions, ... backed up by credible military forces”<sup>93</sup> requires a certain amount of duplication, particularly in decision-making structures. The European Council in Cologne and in Helsinki established political-military structures but made sure that these structures were very limited in strength and resources. Limited to approximately 60 people, the EU’s military staff is not capable of operational planning or comparable to the staff at the headquarters of NATO’s European Strategic Command, SHAPE. Aware of this shortfall, NATO has identified SHAPE as the operational headquarters for EU-led operations.<sup>94</sup> However, Cologne and Helsinki defined a political-military structure to ensure the EU a minimum of autonomous decision-making capacity.

The central issue in the discussion on duplicating NATO assets is not about political-military structures, but about capabilities, particularly capabilities outside of NATO. In fact, the Saint Malo Declaration of December 1998 stressed the importance of “suitable military means (European capabilities pre-designated with NATO’s European pillar or national or multinational European means outside of NATO framework).”<sup>95</sup> Since then, the European Council has repeatedly emphasized the perspective of using such national or multinational European means outside of NATO, in order to enhance the EU’s capacity for autonomous actions (when NATO as a whole is not engaged). This

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<sup>93</sup> See, Franco-British Summit, “Joint Declaration on European Defense,” par. 2. Available [Online]: [<http://info-france-usa.org/news/statements/pr/stmalo.htm>], October 2000.

<sup>94</sup> See, “New Missions for European Armed Forces and the Collective Capabilities Required for Their Implementation – Reply to the Annual Report of the Council,” Assembly of the Western European Union, Document A/1687, June 6, 2000, p. 21.

<sup>95</sup> Franco-British Summit, “Joint Declaration on European Defense”, Available [Online]: [<http://info-france-usa.org/news/statements/pr/stmalo.htm>], October 2000.



tendency is important, because the EU has started to focus on available national and multinational capabilities outside of NATO in order to make the EU operational.

Based on the findings of the WEU,<sup>96</sup> EU members have undertaken considerable efforts to develop their national and multinational means in order to enhance such capabilities and to put them at the service of the European Union. As pointed out by the European Council in Helsinki, member states have decided "to develop rapidly collective capability goals in the field of command and control, intelligence and strategic transport, areas also identified by the WEU audit."<sup>97</sup>

To highlight the trend to focus on national and multinational assets for EU operations, France's Defense Minister, Alain Richard, identified four major projects in this field:

(1) In order to strengthen our capability for informed decision-making, we could agree among willing Europeans to undertake, in close coordination with the EU, the collective mobilization of surveillance and early warning assets. Exploitation of these assets would be undertaken on a national basis, with a disposition for pooling our evaluations.

(2) To reinforce our European capabilities for command and control, France and the United Kingdom have made public their willingness to authorize the use of their combined structures by the EU, as well as the possibility of welcoming other European elements in these structures. This step aims to put multinationalised command capabilities at the service of the EU.

(3) Likewise, it is our responsibility, for those of us who are engaged in

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<sup>96</sup> Audit of Assets And Capabilities For European Crisis Management Operations: Recommendations For Strengthening European Capabilities For Crisis Management Operations," Luxembourg, 23, November 1999. Available [Online]: [<http://www.parliament.the-stationery-office.co.uk/pa/cm199900/cmselect/cmdfence/264/26423.htm>], January 2001.

<sup>97</sup> European Union Presidency Conclusion, Helsinki, 10-11 December 1999. Available [Online]: [[http://europe.eu.int/council/off/conclu/dec99/dec99\\_en.htm](http://europe.eu.int/council/off/conclu/dec99/dec99_en.htm)], October 2000.

European multinational forces, to carry on the transformation and strengthening of command capabilities at the tactical level.

(4) Finally, as our fourth objective, we must progress, among willing Member States, toward the creation of an airlift command and, as we Dutch and French suggest, a European cell for maritime strategic transport, in order to eventually coordinate the common use of overall available military assets and the potential use of civilian assets.<sup>98</sup>

Nevertheless, the European Council in Cologne and Helsinki established limited political-military structures to ensure a minimum of autonomy in EU's decision-making process. However, regarding duplication, two critical issues follow. First, at the political-military level, the EU still lacks strategic planning capabilities and therefore relies on NATO. This will continue as long as the EU chooses not to establish a political-military body comparable to SHAPE and capable of strategic defense planning. The second critical issue is establishing an EU military chain of command. So far, the EU has avoided establishing such a parallel structure. The major concerns regarding EU duplication are not about the new political-military structures, but about assets and capabilities.

In a process initiated by the Franco-British Saint-Malo declaration, the EU has started to shift its attention from available capabilities within NATO to national and multinational means outside NATO.

Aware of the EU's limited resources on the strategic level, major European nations have concentrated their efforts on the operational and tactical level by enhancing national and multinational means and by making these means available for EU-led

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<sup>98</sup> Alain Richard, Minister of Defense, France, "European Defense," Remarks to the Clingendael Institute, Le Haye, February 10, 2000. Available [Online]: [<http://info-france-usa.org/news/statmnts/richard/lahaye.htm>], October 2000.

operations. Qualitative enhancement of national and multinational capabilities became a major goal on the EU's agenda.

The European Council in Helsinki was thus a watershed for the development of ESDI/ESDP. However, the following questions remain as unfinished business:

1. How to establish a mechanism for the relationship between the EU and NATO.
2. How to link NATO defense planning with the EU.
3. How to secure EU access to NATO's operational planning.
4. How to include non-EU NATO European allies in ESDI/ESDP decision-making.

### **C. FINDINGS AND CONCLUSIONS**

Operation Allied Force, NATO's air campaign in the Kosovo conflict, revealed the capabilities gap between the European Allies and the United States in modern warfare. This frustrating European experience and the political dominance of the United States encouraged the EU to launch a major initiative preparing for EU-led operations.

The headline goal, introduced at the European Council in Helsinki, called for a force up to 60,000 persons, available by the year 2003 and capable of accomplishing the full range of Petersberg tasks, the most demanding tasks included. In addition, the headline goal introduced quality requirements for the troops in order to meet the entire Petersberg task spectrum. The headline goal represented the lowest common denominator among the EU member states at that time. Analysts question whether these requirements are sufficient to establish an autonomous EU capacity for crisis management contingencies.

The number of forces specified in the headline goal seems insufficient to cover the upper scale of the Petersberg tasks. Although the EU nations have a significant number of forces, the EU currently faces the problem of deploying and sustaining these forces abroad. In fact, the number of forces envisaged for EU-led operations strongly supports the conclusion that the EU's projected capability for crisis management is primarily focused on the lower end of the Petersberg spectrum. This might encourage a perception of a division of labor between NATO and the EU.<sup>99</sup>

The question of shared defense planning by the EU and NATO has probably been the most critical issue of ESDI/ESDP since the European Council in Helsinki. If these two processes are not linked, conflicting priorities between these two organizations could ensue. However, the European Council in Helsinki established a vague EU defense planning procedure, similar to that of NATO. To introduce defense planning procedures within the EU might reflect France's desire to counterbalance its absence from NATO's corresponding structures. The vague EU efforts might have been intentional and might underscore the reservations of other EU members about fulfilling challenging headline and collective capability goals.

The EU's headline and collective capability goals and NATO's DCI basically follow the same idea, namely to strengthen capabilities for modern warfare; but they are also different. While the headline goal is based on crisis management tasks, the DCI is part of NATO's collective defense planning process and also covers Article 5

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<sup>99</sup> It is worth mentioning that such a division of labor between the EU and NATO could cause a political problem for the EU's policy to act autonomously. This means, practically speaking, that the EU, before undertaking a Petersberg task, has to make sure that NATO will intervene in case the mission escalates. To avoid such political-military dependence on NATO the EU's declarations always refer to the whole range of Petersberg tasks and thereby try to avoid the impression of any kind of division of labor.

requirements. For the eleven EU countries in NATO, the headline goal and the DCI serve the same forces. According to the conclusion drawn by the EU in Helsinki, the headline goal and the DCI should reinforce each other. In fact, however, the European Council in Helsinki established the headline goal without an institutional link to NATO.

## **V. THE EUROPEAN COUNCIL IN FEIRA**

This chapter focuses on the European Council's decisions regarding the CFSP and ESDP made in Santa Maria de Feira in June 2000. The chapter highlights the two most crucial ESDP-related issues of this Council: first, the EU-NATO relationship and second, the decision to set up a "single inclusive structure" defining the institutional framework to deal with the participation of "third countries" in EU crisis management, including non-EU European NATO countries. Analyzing the link between these two important issues, the chapter makes the point that the EU almost ignored the concerns articulated by non-EU European NATO members concerning their participation in the EU's decision-making process.

The chapter concludes that the Council in Feira did not resolve the contradicting policy priorities of the EU: (a) gaining assured access to NATO's assets and capabilities and (b) establishing the EU's autonomy in all aspects of the decision-making process, because it did not deal effectively with the special status of non-EU European NATO members. Establishing the EU's decision-making autonomy took priority over the EU's commitment to integrating non-EU European NATO allies into the decision-making process to the fullest possible extent, as envisaged by the North Atlantic Council in Washington in April 1999 and by the European Council in Cologne in June 1999.

Nevertheless, the European Council in Feira was mostly about institution building and set the framework for the EU-NATO agreement, which was to be finalized during the upcoming French presidency.

## A. PREPARING FOR EU-NATO RELATIONSHIP

Based on a mandate from the previous presidency, the European Council in Feira agreed on five principles regarding EU-NATO relations and introduced four “ad hoc working groups” dealing with specific EU-NATO topics. These five principles are:

The relationship between EU and NATO “must take place in full respect of the autonomy of EU decision-making.”<sup>100</sup>

The Council agreed to develop the relationship with NATO in order “to achieve full and effective consultation, cooperation and transparency”<sup>101</sup> and to base the EU objectives in the field of military capabilities on the principle of mutual reinforcement.

While underlining the mutually reinforcing character of NATO and EU efforts regarding crisis management, the Council also stressed the different nature of the EU and NATO and made clear that the existing procedures governing WEU-NATO relations would not be automatically transferred into the EU-NATO arrangements. Based on the existing procedures established between the WEU and NATO, the European Council expressed its intention to make an assessment “with a view to their possible adaptation to an EU-NATO framework.”<sup>102</sup>

The Council reaffirmed that the EU and NATO will deal with each other on the basis of an equal footing.

In the arrangements and modalities for relations between the EU and NATO, “there will be no discrimination” against any member state of the EU or NATO.

The European Council also decided to propose to NATO the establishment of four “ad hoc working groups” in preparation for a permanent arrangement between NATO and the EU. The ad hoc working groups cover the following topics:<sup>103</sup>

The ad hoc working group for security deals primarily with preparations for the security arrangement between NATO and the EU. This security arrangement

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<sup>100</sup> See “Strengthening the Common European Security and Defense Policy – Presidency Report to the Feira European Council,” European Council in Feira, 19-20 June 2000, Appendix 2.

<sup>101</sup> Ibid.

<sup>102</sup> Ibid.

<sup>103</sup> Ibid.

should lead to "access by designated officials from the EU and its Member States to NATO planning structures."<sup>104</sup>

The ad hoc working group for defining capability goals and appropriate structures and procedures intends to develop modalities for consultations with NATO to ensure that the EU's capability and headline goals and NATO's Defense Capabilities Initiative are mutually reinforcing.

The ad hoc working group on enabling EU access to NATO assets and capabilities, as approved by the North Atlantic Council in Berlin in 1996 and in Washington in 1999, concentrates on concluding an agreement on the necessary modalities.

The fourth ad hoc working group focuses on the definition of permanent arrangements between the EU and NATO, which will be necessary once the EU changes its interim bodies into permanent structures.

In summary, each of the EU's principles for the EU-NATO relationship emphasizes the high priority the EU places on its own autonomy regarding the decision-making process in crisis management. At the same time, the topics of the established working groups indicate that access to NATO's assets and capabilities (including planning capabilities) is of utmost importance for the EU in order to ensure the effectiveness of the EU's crisis management operations. However, there is an obvious conflict between the established EU priority of autonomy in decision-making and the EU's dependence on NATO's assets and capabilities.

## **B. PARTICIPATION OF NON-EU EUROPEAN NATO MEMBERS**

Regarding the participation of non-EU European NATO member states in EU-led operations, the Council repeated the status defined in the Helsinki document without additional mandates:

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<sup>104</sup> Ibid., Appendix 2.



Upon a decision by the Council to launch an operation, the non-EU European NATO members will participate if they so wish, in the event of an operation requiring recourse to NATO assets and capabilities. They will, on a decision by the Council, be invited to take part in operations where the EU does not use NATO assets.

Other countries who are candidates for accession to the EU may also be invited by the Council to take part in EU-led operations once the Council has decided to launch such an operation.<sup>105</sup>

This text is identical to the Helsinki wording and indicates that the European Council was not willing to extend the right of participation for non-EU European NATO countries as defined in Helsinki. This is remarkable because any large-scale EU-led operation will require assets and capabilities from NATO. As Alexander Vershbow, U.S. Permanent Representative on the North Atlantic Council, has pointed out:

EU members should not expect to get those assets [from NATO] if they have sought to exclude the non-EU Allies from having input into the shaping of the policy leading up to that operation.<sup>106</sup>

This underlines once again that the EU's desire to establish its autonomy in the decision-making process was a higher priority than the fullest possible integration of the non-EU European NATO allies in the EU decision-making leading to crisis management operations. It is important to mention that the legal position of third-country participation in EU-led operations goes beyond what NATO foresees for non-NATO states participating in non-Article 5 operations. As Karsten D. Voigt, the German Foreign Ministry's Coordinator for German-American Cooperation, has pointed out, "although

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<sup>105</sup> Ibid, Appendix 1, paragraph 19.

<sup>106</sup> Alexander Vershbow, United States Permanent Representative on the North Atlantic Council to NATO, speech at a conference on "The Development of the Common European Security and Defense Policy: The Integration Project of the Next Decade," Berlin, December 17, 1999, text furnished by The United States Mission to the European Union. Available [Online]: [<http://www.useu.be/issues/esdi1217.html>], October 2000.

the second sentence of paragraph 20 and paragraph 25 [of the Presidency Report to the Feira Council] do not express this with sufficient precision, structures will be created that will permit consultations with these states ahead of every Council decision regarding operations.”<sup>107</sup>

Alexander Vershbow has also clarified the linkage between two of the most important questions on ESDP/ESDI, which are the EU-NATO relationship and the integration of non-EU European NATO allies in the EU decision-making regarding crisis management.<sup>108</sup>

As a matter of fact, Turkey has blocked the EU's demand for assured and automatic access to NATO planning capabilities while France, arguing that it is imperative to avoid unnecessary duplications, has agreed to use NATO planning capabilities for EU-led operations. Ironically, the Turkish blockade endangers the EU-NATO relationship and encourages major EU states to duplicate NATO planning structures within the EU.<sup>109</sup>

The EU's policy and priorities revealed an unsolved contradiction. On the one hand, the EU depends on the support of all NATO members, non-EU European allies included, for its assured access to NATO assets and capabilities. On the other hand, the EU has not indicated sufficient political flexibility to guarantee non-EU European NATO

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<sup>107</sup> Karsten D. Voigt, Coordinator for German-American Cooperation, Federal Foreign Office, Berlin, “The discussion on ESDP as Part of the Birth Pangs of a New Atlanticism,” Address at the Naval Postgraduate School, Monterey on 14 February 2001, p. 7.

<sup>108</sup> Alexander Vershbow, United States Permanent Representative on the North Atlantic Council to NATO, speech at a conference on “The Development of the Common European Security and Defense Policy: The Integration Project of the Next Decade,” Berlin, December 17, 1999, text furnished by The United States Mission to the European Union.

<sup>109</sup> Voigt, *Ibid.*

allies a special status within the EU decision-making process leading up to EU-led operations.

### **C. ESTABLISHING AN INCLUSIVE STRUCTURE**

To ensure dialogue, consultation and cooperation with non-EU European NATO members and candidates for the accession to the EU, the European Council in Feira established a “single, inclusive structure.”<sup>110</sup> According to the Council’s decision, this structure had to be based on appropriate arrangements dealing with security and defense policy-related issues.

The European Council in Feira decided to establish a political consultation body attached to the EU’s CFSP structures. This forum consists of the nine candidates for accession to the EU<sup>111</sup> and the six non-EU European NATO members.<sup>112</sup> This “single, inclusive structure,” as described by the European Council, would harmonize the ESDP with the “reinforced political dialogue” carried out between the EU and the candidates for accession to the EU.

This new “forum for EU-related security” will meet in the format of EU+15 at least twice during the six-month term of each presidency. European non-EU NATO

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<sup>110</sup> See “Strengthening the Common European Security and Defense Policy – Presidency Report to the Feira European Council,” European Council in Feira 19-20 June 2000, Appendix 1, paragraph 5.

<sup>111</sup> The nine candidates for accession to the EU are: Bulgaria, Cyprus, Estonia, Latvia, Lithuania, Malta, Rumania, Slovakia, and Slovenia. Although the Czech Republic, Hungary, Poland and Turkey are candidates for accession to the EU as well, they enjoy as NATO members an enhanced status.

<sup>112</sup> The six non-EU European NATO members are: the Czech Republic, Hungary, Iceland, Norway, Poland and Turkey.

members will meet in addition to the EU+15 format two times per presidency in the EU+6 format. Meetings will take place on various political and military levels with the corresponding EU structures. Within both formats (EU+15 and EU+6) the exchange of information will include elaborating the headline and capability goals to improve European military capabilities.

One of the most noteworthy aspects of this new CFSP/ESDP structure is related to the status of non-EU European NATO members. All six non-EU European NATO members are losing the special status they have enjoyed within the WEU as Associate Members. As a matter of fact, their status in the new EU consultation structures does not go significantly above what other EU partners like Cyprus, Estonia, Malta, Romania and other partners enjoy.

#### **D. FINDINGS AND CONCLUSION**

The European Council in Feira established a set of principles for EU-NATO relations. These principles were based on the EU's pursuit (a) of autonomous decision-making regarding crisis-management operations vis-à-vis NATO and (b) access to NATO assets and capabilities, including planning capabilities. The North Atlantic Council, including the non-EU European NATO members, was asked to confirm the principle of a presumption of EU assured and automatic access to NATO's assets and capabilities. Yet, non-EU NATO members (Turkey in particular) indicated that their approval of EU use of NATO assets and capabilities would depend on the extent to which the EU was willing to include these countries in the decision-making process leading to EU-led operations. Ironically, the reluctance of non-EU European NATO members (Turkey in particular) to

confirm the principle of a presumption of EU assured and automatic access to NATO's assets and capabilities has caused some observers in the EU to think about building up such structures within the EU.

As a matter of fact, the European Council in Feira did not consider the concerns of the non-EU European NATO members. The EU established an EU-only decision-making process, in case of a decision leading to an EU-led operation (with or without EU use of NATO assets and capabilities). This clearly indicates the EU's shift of priority, favoring the EU's autonomy in decision-making rather than integrating non-EU European NATO members in the process. In addition, the European Council in Feira established a single inclusive structure, attached to the CFSP bodies, including the non-EU European NATO members and the candidates for accession to the EU. This means that all six non-EU European NATO members are losing the special status they have possessed within the WEU as Associate Members. Their status is not significantly greater than that of other EU partners.

This new forum, comparable to NATO's Euro-Atlantic Partnership Council (EAPC), deals with EU-related security issues and is attached to the EU's CFSP structure. The forum will be involved in elaborating the headline and capability goal, as articulated by the European Council in Helsinki in December 1999. Although the success of this forum depends on the overall success of the CFSP, this development could contribute to task sharing with NATO's EAPC, as a broader transatlantic security institution, while the EU could focus on EU-related crisis management.

## **VI. ESDP/ESDI: STATUS QUO AFTER THE EUROPEAN COUNCIL IN NICE**

This Chapter summarizes the status quo of the ESDP/ESDI, including the decisions of the European Council in Nice in December 2000. The EU Council took place under a French presidency, two years after France and Britain launched the Saint-Malo initiative, thereby inaugurating a process to enhance European capabilities for crisis management. In Nice, the EU member states could assess how far this initiative had gone. The Council in Nice was essential to the ESDP/ESDI because the European Council approved a proposal for the "Permanent Arrangements for EU-NATO Consultation and Cooperation,"<sup>113</sup> including the arrangement "On the implementation of Paragraph 10 of the Washington Communiqué" which refers to:

- (a) "Assured EU access to NATO planning capabilities able to contribute to military planning for EU-led operations;"
- (b) "The presumption of availability to the EU of pre-identified NATO capabilities and common assets for use in EU-led operations;"
- (c) "Identification of a range of European command options for EU-led operations, further developing the role of DSACEUR;"
- (d) "The further adaptation of NATO's defense planning system to incorporate more comprehensively the availability for forces for EU-led operations."<sup>114</sup>

This EU proposal was important because it underlined the EU's dependence on NATO assets and capabilities and nonetheless revealed the intention of the EU to deal

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<sup>113</sup> "Presidency Report on the European Security and Defence Policy," European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>114</sup> Washington Summit Communiqué, "An Alliance for the 21<sup>st</sup> Century," paragraph 10, a-d. Available [Online]: [<http://info-france-usa.org/news/statmnts/otancom.htm>], October 2000.

with crisis management in an EU context rather than in a NATO context. NATO's Foreign Ministers supported this EU proposal in general terms a few days after the European Council in Nice.<sup>115</sup>

This chapter analyzes the EU's intention to use NATO assets and capabilities to the fullest possible extent while stressing its autonomy in the political decision-making process vis-à-vis NATO.

#### **A. THE NEW POLITICAL-MILITARY STRUCTURES OF THE EU**

The European Council in Helsinki in December 1999 introduced interim political-military bodies within the EU's structure, which became operational in March 2000. In December 2000, the European Council in Nice integrated these political-military bodies into its CFSP as permanent structures, in order to enable the EU to conduct EU-led operations. These new bodies are:

- The Political and Security Committee (PSC),
- The European Union Military Committee (EUMC), and
- The European Union Military Staff (EUMS).

The newly established bodies are to some extent a duplication of the political-military structures of NATO. Very limited in numbers and resources, the EUMC and the

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<sup>115</sup> "We note and welcome the proposals made by the European Council at Nice for permanent arrangements to ensure full transparency, consultation and co-operation between NATO and the EU. We agree that consultations and co-operation will be developed between the two organizations on questions of common interest relating to security, defence and crisis management, so that crises can be met with the most appropriate military response and effective crisis management ensured." Final Communiqué Ministerial Meeting of the North Atlantic Council held at NATO Headquarters, Brussels on 14 and 15 December 2000, paragraph 31.

EUMS are designated to consult and cooperate with the corresponding NATO structures.<sup>116</sup>

## **B. THE EU'S POLITICAL-MILITARY STRUCTURES DEPEND ON NATO**

The Military Staff is the key element for EU's ability to pursue the full range of the Petersberg tasks. Responsible for "early warning, situation assessment and strategic planning for Petersberg tasks," the EUMS is also responsible for the "identification of European national and multinational forces."<sup>117</sup> The European Council in Nice thus imposed a huge responsibility on the EUMS, which relies on limited resources and a relatively small number of personnel. Pointing out these high expectations, the European Council in Nice stated:

The European Union Military Staff, which will acquire an initial operating capability in the course of 2001, will bolster the European Union's collective early warning capability and will provide it with a predecisional situation assessment and strategic planning capability.<sup>118</sup>

As a matter of fact the EUMS is currently not able to conduct any strategic defense planning or force planning tasks. Until the EUMS becomes operational, the EU must depend on NATO's ability to perform these tasks. For that reason, the European Union Military Staff is organized to have structures and procedures compatible with

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<sup>116</sup> "Presidency Report on the European Security and Defence Policy," Standing Arrangements for Consultation and Cooperation between the EU and NATO, Annex VII, European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>117</sup> Ibid., Annex V, paragraph 2.

<sup>118</sup> See "Presidency Report on the European Security and Defence Policy," European Council in Nice, 8, 9 and 10 December 2000, Annex I, 4 (B), Military Capabilities Commitment Declaration, in Press Release Nr: 400/00, Brussels, December 08 2000.



those of NATO.<sup>119</sup> The following paragraph, part of the "Standing Arrangements For Consultation and Cooperation Between the EU and NATO,"<sup>120</sup> highlights the EU-NATO relationship and indicates how the EUMS depends on external planning capabilities:

At the request of the PSC, the EUMC will instruct the European [Union] Military Staff to determine and prioritize the strategic military options. Having determined the initial general options, the Staff may call on external planning sources, in particular the guaranteed access to NATO planning capabilities, to analyze and refine these options.<sup>121</sup>

The statement on the permanent arrangements for EU-NATO consultation and cooperation is even clearer in pointing out the EU's dependence on NATO planning capabilities:

The EU would reiterate the importance which it attaches to being able, when necessary, to make use of the assured access to NATO's planning capabilities and to count on the availability of NATO's assets and capabilities as envisaged in the Communiqué from the Washington Summit. The European Union will call on NATO for operational planning of any operation using NATO assets and capabilities. When the Union examines options with a view to an operation, the establishing of its strategic military options could involve a contribution by NATO's planning capabilities.<sup>122</sup>

This statement indicates that the EU intends to rely on NATO planning capabilities even for autonomous military operations without recourse to NATO assets and capabilities. Until the EU's new political-military structures become capable of

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<sup>119</sup> The EUMS is the operational point of contact between the EU and NATO and is also responsible for the coordination with NATO. See "Presidency Report on the European Security and Defence Policy," European Council in Nice, 8, 9 and 10 December 2000, Annex V, European Military Staff Organization, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>120</sup> Ibid., Annex VII.

<sup>121</sup> Ibid., Annex VII, part III, paragraph A.

<sup>122</sup> See "Presidency Report on the European Security and Defence Policy," Press Release Nr: 400/00, Brussels, December 08 2000.

operational planning (in 2001 these structures should acquire an initial operating capability, as envisaged by the European Council in Nice), the EU intends to rely primarily on NATO's strategic planning and force planning capabilities. For low-intensity operations within the Petersberg task spectrum, the EU has the capacity for contingency planning, using available European headquarters and means on the strategic, operational and tactical levels.<sup>123</sup>

In sum, the limited ability of the newly established political-military bodies reflects a European dilemma. Because of their limited resources, and in particular their inability to execute defense and force planning, the political-military bodies of the EU cannot function effectively without the corresponding NATO structures. Progress in this field depends on the future resources available to the EUMS.<sup>124</sup> On the other hand, on several occasions the European Council has expressed a strong desire to be able to carry out autonomous EU-led operations along the full scale of the Petersberg missions without relying on NATO's capabilities.

### **C. ASSESSING THE EU'S DECISION MAKING AUTONOMY**

According to the European Council in Nice, a European Union Military Staff should be able to carry out strategic operational planning as part of the EU's decision-

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<sup>123</sup> See "Presidency Report on the European Security and Defence Policy," Military Capabilities Commitment Declaration Annex I, 4 (B), European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000, part IV.

<sup>124</sup> See "Presidency Report on the European Security and Defence Policy," Standing Arrangement for Consultation and Cooperation between the EU and NATO, Annex VII, European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

making process.<sup>125</sup> As pointed out, at present the EUMS is only able to pursue operational planning by using NATO capabilities, such as intelligence and other national and multinational means, to come up with strategic military options for EU operations.<sup>126</sup> In other words, the European Union's decision-making process has to rely on NATO's capabilities. This places into question the EU's ability to establish an autonomous decision-making process, because the EU's process has to draw on capabilities and information from outside its institutional framework.

#### **D. CAPABILITIES - QUANTITY VERSUS QUALITY**

Numerically, the EU has sufficient forces at its disposal to cover the full range of the Petersberg missions. According to the Military Capabilities Commitment Declaration, the EU also has sufficient national and multinational headquarters at strategic, operational, force and component levels.<sup>127</sup>

Nevertheless, the Commitment Conference, held in Brussels on 20 November 2000, also identified specific shortfalls in quality.<sup>128</sup> However, according to the decisions of the EU Council, the EU should be prepared to exercise political control and strategic

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<sup>125</sup> See "Presidency Report on the European Security and Defence Policy," Arrangements Concerning Non-EU European NATO Members and Other Countries Which Are Candidates for Accession to the EU, Annex IV, European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>126</sup> See "Presidency Report on the European Security and Defence Policy," Standing Arrangement for Consultation and Cooperation between the EU and NATO, Annex VII, 3 (A), European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>127</sup> See "Presidency Report on the European Security and Defence Policy," Military Capabilities Commitment Declaration, Annex I, 4 (B), European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>128</sup> Ibid., I (3).

management for EU-led operations with or without recourse to NATO assets and capabilities until 2003, as envisaged by the European Council in Helsinki.

#### **E. DRAWING ON NATO'S PRE-IDENTIFIED ASSETS AND CAPABILITIES**

The North Atlantic Council, including non-EU European NATO allies, must still approve the availability of pre-identified assets and capabilities. Pre-identified assets will be available for EU-led operations unless NATO has to conduct an Article 5 operation or non-Article 5 operation "which has been given priority after consultation between the two organizations."<sup>129</sup> This means that the EU's access to NATO assets and capabilities still depends on NATO's case-by-case approval. Nevertheless, the pre-identification of specific NATO assets and capabilities provides the EU with a perspective sufficient for generic strategic planning possibilities.

#### **F. NON-EU EUROPEAN NATO MEMBERS**

The guiding principle of the European Council in dealing with "non-EU European NATO allies and candidates for accession to the EU"<sup>130</sup> is to ensure the decision-making autonomy of the European Council. Consultations between the EU and the non-EU European countries are based on a consultation arrangement during non-crisis periods

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<sup>129</sup> See "Presidency Report on the European Security and Defence Policy," "Annex to the Permanent Arrangements on EU/NATO Consultation and Cooperation on the Implementation of Paragraph 10 of the Washington Communiqué," Appendix to Annex VII, European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>130</sup> In terms of the WEU, this group consists of the Associate Members and Associate Partners. The group also includes Malta and Cyprus because both countries applied for accession to the EU.

within a “single inclusive structure.” The European Council in Nice approved a process of intensified cooperation with the EU during an emerging crisis, including the possibility of participating in an EU-led operation. If the EU conducts an operation autonomously, the European Council may choose to invite non-EU European NATO members to participate. If the EU requires recourse to NATO assets and capabilities, non-EU European NATO members have the right to participate in the operation.

All the States that have confirmed their participation in an EU-led operation by deploying significant military forces will have the same rights and obligations as the EU participating Member States in the day-to-day conduct of such an operation.<sup>131</sup>

To manage the day-to-day activities during an EU-led operation the Council in Nice envisaged a Committee of Contributors, parallel to but distinct from corresponding EU structures. This ad hoc Committee of Contributors will comprise all EU Member States and the “non-EU European allies and candidate countries deploying significant military forces under an EU-led operation.”<sup>132</sup>

Overall, non-EU European NATO allies and the candidates for accession to the EU face the following political restrictions:

- They are not invited to participate in the initial decision-making process which could lead to an EU-led operation, with or without recourse to NATO assets and capabilities.

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<sup>131</sup> See “Presidency Report on the European Security and Defence Policy,” Arrangements Concerning Non-EU European NATO Members and Other Countries Which Are Candidates for Accession to the EU, Annex VI, part I, “Guiding principles.” European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>132</sup> Ibid., Annex VI, part III (c).

- Once their contributions to the EU-led operation are accepted, they still will not have direct access to EU decision-making structures. Their contributions will be organized within a Committee of Contributors, outside the EU, yet attached to EU permanent structures. This structure will be parallel to but distinct from the corresponding EU structures. Even if the EU uses NATO assets and capabilities, non-EU European NATO members will have to deploy “significant military forces” to enjoy the same rights as EU participating member states.

In fact, from an institutional point of view, participation for non-EU European NATO allies in EU-led operations will be rather limited. This is likely to affect the relationship between the EU and NATO, particularly with regard to EU-led operations that depend on access to NATO assets and capabilities. As a matter of fact, the EU depends on NATO to pursue the full spectrum of the Petersberg tasks. Therefore, the relationship between the EU and NATO is crucial for the development of ESDI/ESDP, and the question of guaranteed access to NATO’s planning capabilities is particularly important.

#### **G. THE EU’S RELATIONSHIP TO NATO**

Probably the most important step in the development of NATO’s ESDI and the EU’s ESDP since Saint-Malo was the Council’s approval of a standing arrangement

between the EU and NATO in Nice in December 2000.<sup>133</sup> This arrangement still has to be approved by the North Atlantic Council, yet the document reveals the intention of the European Council to develop the ESDP within the EU's framework. This conclusion is based on the following observations:

- For EU-led operations with and without recourse to NATO's assets and capabilities, the European Council instructed the European Union Military Staff to "call on external planning sources, in particular the guaranteed access to NATO planning capabilities."<sup>134</sup> This underscores the fact that currently military planning of any kind will remain, according to the will of the European Council, the responsibility of the European Union Military Staff, while NATO is only supposed to provide guaranteed permanent access to its planning capabilities.<sup>135</sup>
- Once the North Atlantic Council has approved the release of assets and capabilities for an EU-led operation, "The entire chain of command must remain under the political control and strategic direction of the EU throughout the operation, after consultation between the two organizations. In that framework the operation commander will report on the conduct of the operation to EU bodies only."<sup>136</sup>

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<sup>133</sup> See "Presidency Report on the European Security and Defence Policy," Standing Arrangements for Consultation and Cooperation between the EU and NATO, Annex VII, European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>134</sup> Ibid., III. (A).

<sup>135</sup> See "Presidency Report on the European Security and Defence Policy," Standing Arrangements for Consultation and Cooperation between the EU and NATO, Annex VII (3), European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>136</sup> Ibid., Appendix to Annex VII, (3).

- For an EU-led operation calling on NATO assets and capabilities, the European Union authorities will appoint a designated operational commander. His responsibilities are to draw on necessary NATO planning capabilities and to specify the predetermined assets and capabilities for the military operation in close coordination with NATO personnel. During this process, the arrangement approved by the European Council defined the role of the DSACEUR as a “strategic coordinator” between the two organizations in order “to satisfy EU requests.”<sup>137</sup> Nevertheless, NATO perceives DSACEUR as serving a key function within the concept of ESDI; he is responsible for the European chain of command within NATO’s structure.<sup>138</sup>

The EU’s political approach to relations with NATO indicates that the EU intends to develop the ESDP/ESDI not only under the EU’s political control and strategic direction but also within its own framework distinct from NATO.

## **H. FINDINGS AND CONCLUSIONS**

Force and defense planning is critical for the EU in order to enhance its autonomous capabilities, including an autonomous decision-making process. To meet these expectations, the ability of the EUMS is central. Part of the new EU structure, the EUMS is not designed to provide the EU with autonomous decision-making capability,

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<sup>137</sup> See “Presidency Report on the European Security and Defence Policy,” Permanent Arrangements on EU/NATO Consultation and Cooperation on the Implementation of Paragraph 10 of the Washington Communiqué”, Annex VII, part III, European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>138</sup> The role of DSACEUR is mentioned in “Washington Summit Communiqué, “An Alliance for the 21<sup>st</sup> Century,” par. 10, c. Available [Online]: [<http://info-france-usa.org/news/statmnts/otancom.htm>], October 2000.



nor is the EUMS capable of defense planning or force planning. The EUMS is designed to cooperate with the corresponding NATO structures.

According to the European Council in Nice, this might change in 2001. This date is critical because the force goals approved in Helsinki foresee that in 2003 the EU should be able to conduct the full range of the Petersberg tasks with or without NATO assets and capabilities.

Numerically, the EU has sufficient forces at its disposal. The EU also has sufficient national and multinational headquarters at strategic, operational, force and component levels.<sup>139</sup> However, shortfalls in availability, deployability, sustainability, and interoperability, and in the field of C3 and strategic mobility have been identified.<sup>140</sup> Because of such shortfalls in available capabilities for EU-led operations, the relationship between the EU and NATO remains essential. The North Atlantic Council, including non-EU NATO European allies, must still approve pre-identified NATO assets and capabilities for EU-led operations.

Non-EU European NATO allies face the problem that their right to participate in EU decision-making structures is rather limited. The European Council set up permanent consultation arrangements for interactions with non-EU European NATO Allies and candidates for the accession to the EU. The EU's approach might affect the EU-NATO relationship, if EU-led operations should draw on NATO assets and capabilities because

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<sup>139</sup> See "Presidency Report on the European Security and Defence Policy," Military Capabilities Commitment Declaration, Annex I, 4 (B), European Council in Nice, 8, 9 and 10 December 2000, Press Release Nr: 400/00, Brussels, December 08 2000.

<sup>140</sup> Ibid.

of the limited access of non-EU European NATO allies to EU decision-making structures.

Probably the most important part of the "Nice Declaration" is the Permanent Arrangement for EU-NATO Consultation and Cooperation, laid down in Annex VII of the document. Although the North Atlantic Council has yet to approve this document, it highlights the overall tendency of the European Council to develop the ESDP/ESDI under the EU's political control and strategic direction within its own framework.

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## VII. CONCLUSIONS AND THE WAY AHEAD

In economic terms, the United States and the European Union (EU) share the largest two-way trade and investment relationship in the world. In political terms, the United States-EU relationship is "The most important, influential, and prosperous bilateral relationship of modern history."<sup>141</sup> The issue of ESDP/ESDI is an essential part of this relationship. The United States has always encouraged its European allies to assume a larger proportion of responsibility by improving their military capabilities and pursuing economic and political integration. Nevertheless, the recent and dynamic development of the EU's ESDP outside NATO's framework has unexpectedly challenged United States foreign policy. The United States considers the ESDI an instrument for broader transatlantic security under NATO's umbrella, backed by U.S. leadership, but many Europeans perceive the EU's ESDP as a process that eventually might lead to the defense policy of a more closely integrated EU. Most of the ESDI/ESDP controversy between the EU and the United States is rooted in these fundamental differences in perceptions.

The development of the EU's ESDP since 1998 has strongly affected the EU-NATO relationship. Starting with the Franco-British bilateral declaration at Saint-Malo, the EU recognized the need for autonomous military capacities for actions outside NATO's framework.

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<sup>141</sup> Stuart Eizenstat, Deputy Secretary of the Treasury, quoted in Marc Grossman, Assistant Secretary of State for European Affairs, "Building a New U.S.-European Partnership for the 21<sup>st</sup> Century," speech at the United States Military Academy, West Point, New York, September 14, 1999.

This policy challenged NATO's agreement to enhance the ESDI as a European pillar within NATO, as agreed at NATO's Ministerial Meeting in Berlin in June 1996. The tendency to establish the EU's ESDP outside NATO became obvious in December 1998. Two years later, in December 2000, the EU seemed to make considerable progress in establishing itself as a European pillar of NATO, with the political option of acting autonomously when the alliance as a whole is not engaged. As the development of the EU's ESDP between December 1998 and December 2000 indicated, the members of the EU have put more emphasis on developing ESDP within the EU rather than developing ESDI within NATO. Developing the ESDP inside the EU, however, tends to undermine NATO's concept of strengthening the European pillar under the authority of the North Atlantic Council.

The EU's decision to absorb specific functions of the WEU raises the question of how to transform the well-established relationship between NATO and the WEU into a relationship between NATO and the EU. Between December 1998 and December 2000, the EU obviously hesitated to create a proper political relationship with NATO while building an EU structure for autonomous actions. For the first time, an institutional framework for this relationship was approved by the European Council in Nice at the end of the French presidency in December 2000. At that time, the central issue no longer focused on EU defense structures but on the available capabilities. Defining the EU-NATO relationship, therefore, was mostly about capabilities. In fact, capabilities will remain the key to the success of the ESDP.

Establishing permanent political-military structures within the EU is widely recognized as necessary to enable the EU to conduct autonomous crisis management

operations even if this leads to duplication of decision-making structures. In fact, these new EU political-military structures are so limited in resources and personnel that they must coordinate their activities with corresponding NATO structures. This dependence raises questions about the ability of the EU to conduct an autonomous political decision-making process and to conduct autonomous operations. The future capability of the European Union Military Staff to conduct its tasks autonomously may be a major catalyst for the ability of the EU to perform EU-led operations. This is particularly true for strategic defense planning and force planning.

The European Council in Helsinki was extremely important for the ESDP because of its decision to establish interim political-military structures with the necessary operational capabilities. Duplicating political-military decision-making structures, as decided in Cologne, will not necessarily challenge NATO's role, but the decision to establish European headline goal and capability goals could challenge NATO. Defining such specific goals and setting a timetable for their achievement could confront NATO, in particular the United States, with unexpected developments and a new direction for the ESDI. This is true because for the first time in history NATO may be challenged to compete with the EU for the same forces and the same European assets. Above all, the European Union's goals call for an EU strategic defense-planning capability, including European force planning. The question of the relationship between NATO and the EU's defense planning appears to be the most critical ESDI/ESDP issue after the European Council in Helsinki. Focusing on capabilities rather than on political-military structures represented a new tendency regarding the ESDP's development. Generally, the decisions to provide the EU with military capabilities initiated a process that necessitated

arrangements to draw on existing NATO capabilities and procedures simply because there were no significant additional assets and capabilities in Europe available other than those already assigned to NATO.

The EU set the political agenda to prioritize its autonomous decision-making capacity. To ensure the EU's political autonomy in relations with NATO became a political dogma for all structural and institutional decisions regarding ESDP in the period between December 1998 and December 2000. This has had a major impact on the relationship with non-EU European NATO allies. In fact, the European Council in Cologne established a second-class status for non-EU European NATO allies in that these countries cannot participate on the same level as EU member states in EU decision-making processes under the ESDP. The fact that the EU intends to develop a specific mechanism of consultation with non-EU European NATO members does not change the established principle of EU-members-only decision-making. The only significant exception resides in the arrangement for an ad hoc Committee of Contributors for the day-to-day management of a specific operation.

Indeed, the ESDP development has almost ignored the special status of non-EU European NATO allies vis-à-vis the EU. This indicates that the political impact of the United States on the development of the ESDP has been remarkably small. According to the European Council, non-EU European NATO allies will not participate in the initial EU decision-making process leading to an EU-led operation. This is true even if the EU has to use NATO assets and capabilities, and even if non-EU European NATO allies will contribute to such an operation with significant military forces. These limitations regarding the participation of non-EU European NATO allies were established

immediately after the Saint-Malo declaration in December 1998 and have not been reversed since then. This point especially indicates that the EU considers its decision-making autonomy of utmost priority in the ESDP process.

The EU decided to establish a security consultation body parallel to but distinct from the corresponding new ESDP structure including non-EU NATO European allies and candidates for accession to the EU. This might shift the dialogue on European security issues with EU partners from the EAPC to the EU. The EU has stimulated a political tendency to develop the ESDP as a primary instrument for crisis management in a European Union framework rather than in a transatlantic context.

In sum, to ensure a limited ability for autonomous political-military decision-making, the EU has established new political-military bodies. Because of its limited resources, primarily in the field of strategic defense planning and Command, Control, Communications and Intelligence (C3I), the EU still relies on NATO. As long as the EU does not establish a body capable of strategic planning similar to SHAPE, and does not introduce an EU military chain of command, the level of duplication will not challenge NATO militarily. Nevertheless, there is a tendency among major EU states to focus on national and multinational means outside of NATO in order to enhance the EU's capability to conduct EU-led operations. This tendency encourages the collective mobilization and pooling of EU assets and capabilities and will influence the national priorities of the participating countries.

However, after two years of increased and dynamic efforts regarding institutions, the ESDP process must deal with the question of available capabilities to back the political will for autonomous military actions. Concluding that only NATO has the



operational ability to deal with all aspects of crisis management is too easy. Such a conclusion would not recognize that ESDP is primarily a political process, and that the availability of the necessary assets and capabilities is ultimately a decision about political-military priorities. It is true that Europe is confronted with an capability gap in crucial operational areas. But it is also true that meeting the Helsinki headline and capability goals offers major incentives for key EU states competing for a leading role in European security affairs.

Nevertheless, the ESDP is at a turning point in the history of the EU. If the ESDP project fails, it will jeopardize the CFSP of the EU and jeopardize the EU's role in world affairs, including the transatlantic link. It is, therefore, necessary to develop a common transatlantic security agenda based on partnership, common values, and shared strategic interests rather than insisting on various institutional frameworks.

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